



Leicester  
City Council

**MEETING OF THE NEIGHBOURHOOD SERVICES AND COMMUNITY  
INVOLVEMENT SCRUTINY COMMISSION**

**DATE: WEDNESDAY, 24 JANUARY 2018**

**TIME: 5:30 pm**

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

**Members of the Commission**

Councillor Gugnani (Chair)

Councillor Thalukdar (Vice-Chair)

Councillors Bajaj, Cank, Cutkelvin, Fonseca and Khote  
(1 unallocated non-grouped place)

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

*Elaine Baker*

For Monitoring Officer

**Officer contacts:**

***Jerry Connolly (Scrutiny Policy Officer)***

***Elaine Baker (Democratic Support Officer),***

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***Leicester City Council, City Hall, 115 Charles Street, Leicester, LE1 1FZ***

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**Elaine Baker, Democratic Support Officer on 0116 454 6355**

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# **PUBLIC SESSION**

## **AGENDA**

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#### **1. APOLOGIES FOR ABSENCE**

#### **2. DECLARATIONS OF INTEREST**

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

#### **3. MINUTES OF THE PREVIOUS MEETING**

**Appendix A**

The Minutes of the meeting of the Neighbourhood Services and Community Involvement Scrutiny Commission held on 7 December 2017 are attached and Members are asked to confirm them as a correct record.

#### **4. PROGRESS ON ACTIONS AGREED AT THE LAST MEETING**

To note progress on actions agreed at the previous meeting and not reported elsewhere on the agenda (if any).

#### **5. CHAIR'S ANNOUNCEMENTS**

#### **6. PETITIONS**

The Monitoring Officer to report on the receipt of any petitions submitted in accordance with the Council's procedures.

#### **7. QUESTIONS, REPRESENTATIONS AND STATEMENTS OF CASE**

The Monitoring Officer to report on the receipt of any questions, representations and statements of case submitted in accordance with the Council's procedures.

## **8. LANGUAGE AND IT TRAINING**

**Appendix B**

The Director of Learning Services submits a report detailing how the Adult Skills and Learning Service is helping the adult population from diverse and new communities in Leicester to compete for employment and training opportunities and engage better in local community life, with particular regard to those adults having language difficulties and/or difficulties accessing digital services. The Commission is recommended to:

- a) note the work being carried out in this area and refer residents to the service when needs are identified; and
- b) identify and inform the service of areas of unmet need, so that, if possible, they can be addressed within the planning of programmes for 2018-19.

Members of the Economic Development, Transport and Tourism Scrutiny Commission have been invited to the meeting to participate in the scrutiny of this item.

## **9. GENERAL FUND REVENUE BUDGET 2018/19 TO 2020/21**

**Appendix C**

The Director of Finance submits a report setting out the City Mayor's proposed budget for 2018/18 to 2020/21. The Commission is recommended to pass any comments to the Overview Select Committee as part of its consideration of the report before it is presented to the Council meeting on 21 February 2018.

## **10. SPENDING REVIEWS**

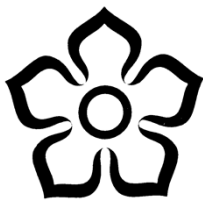
To receive an update on spending reviews affecting services within this Commission's portfolio and not considered elsewhere on the agenda. Members are recommended to receive the update and comment as appropriate.

## **11. WORK PROGRAMME**

**Appendix D**

The current work programme for the Commission is attached. The Commission is asked to consider this and make comments and/or amendments as it considers necessary.

## **12. ANY OTHER URGENT BUSINESS**



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# Appendix A

Minutes of the Meeting of the  
NEIGHBOURHOOD SERVICES AND COMMUNITY INVOLVEMENT SCRUTINY  
COMMISSION

Held: THURSDAY, 7 DECEMBER 2017 at 5:30 pm

P R E S E N T :

Councillor Gugnani (Chair)  
Councillor Thalukdar (Vice-Chair)

Councillor Bajaj  
Councillor Cutkelvin

Councillor Fonseca  
Councillor Khote

In Attendance:

Councillor Clair, Deputy City Mayor  
Councillor Master, Assistant City Mayor - Neighbourhood Services  
Councillor Sood, Assistant City Mayor - Communities & Equalities

Also Present:

Councillor Cole

\* \* \* \* \*

## **39. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Cank.

Members of the Children, Young People and Children Scrutiny Commission had been invited to attend the meeting for agenda item 9, "Leicester City Community Safety Work". Apologies for absence were received from Councillor Cassidy, Councillor Dr Moore and Councillor Riyait in relation to this.

## **40. DECLARATIONS OF INTEREST**

No declarations of interest were made.

#### **41. MINUTES OF THE PREVIOUS MEETING**

AGREED:

That, subject to the deletion of the second paragraph of minute 36, "Community Languages", the minutes of the meeting of the Neighbourhood Services and Community Involvement Scrutiny Commission held on 25 October 2017 be confirmed as a correct record.

#### **42. PROGRESS ON ACTIONS AGREED AT THE LAST MEETING**

The Chair reported verbally that, where appropriate, all actions agreed at the last meeting of the Commission, (held on 25 October 2017), had been included in the Commission's work programme. One change from that meeting was that knife crime would now be considered at a future meeting, (minute 37, "Work Programme", referred).

It was noted that a report on barriers created by language and IT skills was being prepared and was likely to be presented to the Commission at its meeting in January 2018.

AGREED:

That the Scrutiny Policy Officer be asked to add a report on barriers created by language and IT skills to the Commission's work programme for its meeting on 24 January 2018.

#### **43. CHAIR'S ANNOUNCEMENTS**

Councillor Gugnani reminded the Commission that he had chaired its last meeting as Vice-Chair. Since then, he had been appointed as Chair of the Commission at the meeting of Council held on 30 November 2017. He thanked Members for their support in this.

In addition, at the 30 November meeting of Council, Councillor Thalukdar had been appointed as Vice-Chair of this Commission. On behalf of the Commission, the Chair welcomed Councillor Thalukdar to the meeting.

#### **44. PETITIONS**

The Monitoring Officer reported that no petitions had been received.

#### **45. QUESTIONS, REPRESENTATIONS AND STATEMENTS OF CASE**

The Chair advised the Commission that various questions had been received in relation to the re-procurement of Social Welfare Advice, but these could only be asked if the questioner was present. Consequently, the following three questions were put to the Commission:

**a) Question from Mr M Shenton, (presented on his behalf by Mr A Ross)**

Can the Council confirm that the Welfare Rights Service will not face cuts to its budget based on the levels of need identified in paragraphs 4.2-4.5?

**b) Question from Mr J Grocock, (presented on his behalf by Mr A Ross)**

Will any savings be used to meet the needs identified in paragraphs 4.2-4.5?

**c) Question from Mr C Goodwin, (presented on his behalf by Mr A Ross)**

What criteria will be used at the initial client's needs assessment when determining whether someone can use self-help channels?

In response to question a), the strategic Director for Adult Social Care and Health advised that the Council had no intention of creating a saving in the budget of its internal Welfare Rights Service at this time. In response to question b), Mr Forbes stated that, as no saving was to be made, there was no funding to be used in the way set out.

In response to question c), the Head of Revenues and Customer Support stated that throughout the recent review it had recognised that self-help was beneficial, as the Council was unable to help everyone, but the approach recommended was that a move to self-help channels should take place slowly. For this reason, a three year programme was recommended to facilitate this shift.

The Head of Revenues and Customer Support stressed that no decision had been taken yet, but if this model was adopted, soft market testing, on how self-help take up could be promoted, would be undertaken before it was introduced. In addition, work would be carried out to identify the gateway for clients to establish whether they could use a computer and had access to IT equipment. If they were unable to use this technology, additional help would be offered to them, including referral to digital skills training.

#### **46. SOCIAL WELFARE ADVICE RE-PROCUREMENT UPDATE**

The Director of Finance submitted a report providing an analysis of the recent Social Welfare Advice (SWA) Consultation and the preferred model for the future provision of SWA.

Councillor Master, Assistant City Mayor – Neighbourhood Services, introduced the report, thanking officers and Councillor Waddington, formerly the Assistant City Mayor – Jobs and Skills, for the work they had done on this review.

Councillor Master noted that the responses received during the consultation had been varied, as a result of which three options for the way forward had been drawn up. These were outlined in the report. He stressed that the aim of

the review was not to generate a financial saving, but to find a service model that was the best fit to customer need. For this reason, the report did not contain an indicative saving.

The Head of Revenues and Customer Support reminded the Commission that consultation had been held on four main proposals. The majority of the respondents did not support the main partnership model or locating the service only in the city centre. The Head of Revenues and Customer Support then went through the report highlighting and explaining key sections (tables 2 and 3) to the Members.

Of the options now presented, the third option met the Council's procurement aims, including the reduction of contract management pressures, and made a more streamlined offer, focussing on specialist advice. Delivered from a central location, the Customer Service Centre Granby Street, access to each area of advice would be through a single gateway, with advice on discrimination matters being embedded across all advice categories.

It was noted the location of the face to face offer within the Customer Contact Centre was not supported in the consultation exercise. However, the authority remained of the opinion this was the best solution, as it would provide a more joined up journey for clients with clear outcomes. It also would speed up referrals, improve communication and make better use of buildings to ensure more funding was available for funding advice. The co-location would help meet the Homelessness Reduction Act duty, with several services located in one area. These were Housing Options, Adult Social Care and Children's Services Crisis, which going forward would be a key access point for newcomers to the city. Additional outreach facilities were recommended for Highfields, as the consultation had highlighted a gap in provision there.

The Head of Revenues and Customer Support summarised the risks as:

- The market could not respond due to Transfer of Undertakings Protection of Employment implications;
- More people were unable to self-help than predicted and consequently experienced digital exclusion;
- Demand outstripped provision;
- Gateway assessment failed to identify those most in need; and
- New arrivals and other vulnerable groups could fear using the Granby Street location.

The Head of Revenues and Customer Support then emphasised:

- The Council had listened to the sector;
- The option met the procurement aims;
- The advice service needed modernising and streamlining to improve the client journey; and
- Soft market testing would be undertaken for clarity, covering:
  - Demand management
  - Gateway assessment



- Common referral process and joined up IT requirements
- Language and digital support
- Robust outcomes
- Social value charter

The Head of Revenues and Customer Support explained that comments made by this Commission would be considered as part of the next stage in re-procuring SWA. When a decision had been taken on which option should be adopted, it was anticipated that soft market testing would be undertaken, with contract procurement in February / March 2018, so that the contract could start in October 2018.

During discussion on the report, Members expressed concern that in some areas of the city, many people had low levels of computer literacy, so could be limited in how they could help themselves. In reply, the Head of Revenues and Customer Support explained that a priority of gateway assessments would be to identify those with no, or limited, computer skills and language barriers. Language and computer skills were useful in other areas of life, so general help would be provided to overcome these barriers. It was proposed that the move to self-help would be taken slowly though, evolving during the first three years of the five year contract.

Work had been done with the city's libraries to ensure that appropriate hardware and software were available for members of the public to use to gain computer skills. It was acknowledged though that there could be a gap in provision for people who were confident in using IT but not confident in using it to access services, particularly Universal Credit (UC). To address this, it was hoped that champions could be available in the offices at York House and for a few hours a week at libraries to build their confidence with UC IT issues. These champions would not offer welfare advice.

Members welcomed the aim to create a more streamlined SWA service, but expressed some concern that the options presented could have the opposite effect, resulting in a more fragmented system. The Head of Revenues and Customer Support explained that the concerns of the advice sector and contract managers had been taken in to consideration when drawing up the options now presented, which included that contract management would be best facilitated by having one division managing the contract, under one contract manager, at central offices. Advice providers also wanted to be able to influence the management of what was offered at Tier 3. The contract would be reviewed annually, to ensure that the provider was responding to the needs of the city.

During further discussion it was recognised that people using the SWA service could have complex problems, needing more than one type of advice. This raised a potential problem of different organisations having their own targets and criteria, which could conflict with those of providers of other types of advice required by an individual. Alternatively, it could lead to organisations passing on clients they did not feel they could help, or only helping those through which targets could be met.

In reply, the Strategic Director for Adult Social Care and Health advised that each contract would be offered individually and would be run by one provider. It was unlikely that one organisation would have the resources to provide all of the gateway services and advice, but it was the Council's responsibility to determine the level of standardisation, (such as key performance indicators), and define where no deviation from those standards would be permitted. If there was a cost implication to this, the providers would recognise this is the tender(s) they submitted.

The Director also confirmed that the tender specification would include specifications for passing on clients, although it would not be possible to completely cover every aspect of this in a service specification. Practitioners would be expected to determine for each client what the main issue was at the time of assessment and base their actions on that.

Some concern also was expressed by Members about locating the services at the main Customer Service offices in Granby Street as, although this was a good central location, it was a very open building. In reply, the Head of Revenues and Customer Support explained that those offices already were classed as a "safe" location for working with vulnerable people. Vulnerable clients already used the building to access Homelessness services, Adult and Children's crisis services and, in some instances, these are likely to be the same clients. Those seeking SWA would be directed to the first floor of the building for a gateway assessment process. Private rooms were available to use, should this level of confidentiality be required.

Anecdotal evidence from Councillors suggested that some vulnerable people going in to the offices at Granby Street had not been treated with respect and had had been kept waiting for long periods of time when trying to use the telephones at the offices to access the services they needed. Members noted that a programme of training for front line staff had just been completed, so they were now fully trained in dealing with vulnerable clients. In addition, more free telephones would be installed shortly. There also was a telephone that connected straight through to advice provision services. Any further incidents should be reported to the Head of Revenues and Customer Support for investigation.

The Commission questioned how people would be able to identify the advice services they required if they were to all be located together. The Head of Revenues and Customer Support reminded Members that clients would firstly receive a gateway assessment. It was anticipated that advice under tiers one and two would be located on the first floor of York House, in Granby Street. The providers on that floor would be identified, possibly by sitting under a banner with the organisation name on and information on the advice provided.

The Commission questioned how people would be able to identify the advice services they required if they were to all be located together. The Head of Revenues and Customer Support reminded Members that clients would firstly receive a gateway assessment. It was anticipated that advice under all tiers would be located on the first floor of York House, in Granby Street. The

providers would be clearly identified on a display banner showing where the advice was delivered.

Locations for the outreach centres already had been agreed, taking in to account the Transforming Neighbourhood Services programme, but suggestions from Councillors for a venue in Highfields would be welcome.

There was likely to be a significant number of requests for advice on universal credit, which was one reason for the changes proposed for accessing advice. Many local authorities were reducing non-statutory advice provision, but Leicester City Council wanted to protect these services. However, funding was very limited, so the gateway access would enable severity of need to be assessed, to ensure that those most in need were helped.

Soft market testing would help the Council know if its assessment of the anticipated increase in demand, and its associated risks, was robust. Advice providers also would be asked to share information on areas in which they had seen an increased need for advice, (for example, the demand for housing advice had increased significantly in recent months), so the Council could see how such increases, and their associated risks, were being managed.

The Head of Revenues and Customer Support further advised the Commission that one provider would take responsibility for, and manage, data protection under the contract. This would be the provider of the gateway services, who it was anticipated would provide the IT system that all other SWA providers would use. This would be explored further through soft market testing.

The Commission noted that all advice providers would have to be accredited in the future, which would establish a standard of service that could not be guaranteed under current arrangements.

AGREED:

- 1) That Option 3 of the proposed models of future provision of social welfare advice contained in the report be supported;
- 2) That the Director of Finance be asked to submit regular updates to this Commission on progress with the re-procurement of social welfare advice services; and
- 3) That all Members be invited to suggest a suitable location for a social welfare advice outreach centre in the Highfields area.

#### **47. LEICESTER CITY COMMUNITY SAFETY WORK**

The Director of Neighbourhood and Environmental Services submitted a report briefing Members on the City Council's work relating to the community safety agenda through the Safer Leicester Partnership. The report also highlighted key areas that the Council and partners had identified as priorities to reduce crime and the fear of crime.

Members of the Children, Young People and Schools Scrutiny Commission had been invited to attend this meeting to participate in the scrutiny of this item. Councillor Cole therefore was present in his capacity as Vice-Chair of that Commission.

Councillor Clair, Deputy City Mayor, introduced the report, inviting Members to consider community safety issues on which further reports could be made to this Commission.

The Head of Community Safety and the Safer Leicester Partnership explained that the Council had a statutory responsibility to address crime and the fear of crime. This was done through a partnership with other agencies, which identified its objectives and priorities in response to issues put forward by the partners. Each objective and priority was delivered through a multi-agency approach. It was recognised that different objectives and priorities needed to be approached in different ways, so the make-up of the delivery group for each was different.

In addition, within each strand, the partners developed different strategies, which determined how services within that strand were commissioned and delivered. For example, a strategy for addressing violent crime was due to be launched on 8 December 2017. This included the establishment by the Police and ambulance service of a medical treatment centre at the Clock Tower in the centre of Leicester on Fridays and Saturdays over the Christmas period.

A Partnership Plan was produced to explain the outcomes being sought and how these would be measured. It had been agreed that plans would include information on the level of resources available to deliver the outcomes being sought. Members were invited to identify key areas that could be programmed in to future Plans.

The Commission expressed an interest in viewing the Strategic Needs Assessment for Leicester, but was advised that this was a Police document that contained a lot of confidential information. Officers therefore were unable to make it available to Members. However, information in this Assessment was used to inform the Partnership Plan.

Councillor Cole addressed the Commission at the invitation of the Chair. He drew attention to concern regarding the increase in knife crime in the city and nationally, but noted that no reference was made to this in the priorities set out in the report, despite several young people having died in the city as a result of knife crime.

The Head of Community Safety confirmed that knife crime was subsumed within the priorities and therefore, to reassure Members, it was covered. However, clearly discussions during the past year and the work that was taking place was rightly highlighting this issue. She confirmed that this was a high level plan and therefore it was not intended as a detailed document. A number of partners, including the Council, were working on different aspects of knife crime, such as considering how to help those at risk of carrying knives and how

knife crime was managed elsewhere.

Councillor Cole expressed disappointment that knife crime was not a high level work theme, as it appeared that the influence of knife crime on young people was not being taken seriously enough. He also questioned whether it was being viewed as a race issue, rather than a demographic one. In reply, Councillor Master, Assistant City Mayor – Neighbourhood Services, advised that knife crime was being considered as a major work area, not as a sub-section of anything else.

Councillor Clair referenced the importance of learning, where useful, from other local authorities in terms of work that they did on knife crime.

Councillor Master advised Members that a meeting had been held with the Knife Crime team at the Home Office and a lot of work was being done on it, which the Council was involved in. He further confirmed that, as the Head of Community Safety had indicated, the current Partnership Plan was for 2017/18 and the issue of knife crime had become more prominent during the year, but all partners recognised its importance. It was hoped that the education programmes being used and the sharing of information across all agencies would make a difference on this important issue.

Councillor Sood, Assistant City Mayor – Communities and Equalities, stressed the need to address any violence against anyone. Some acts of violence were more specific to certain communities, such as violence against women and children, violence due through dowry systems, gender-based abortions, female genital mutilation, honour-based violence and violence against Lesbian, Gay, Bisexual and Transgender people. She therefore suggested that it could be useful for the Commission to consider reports on these issues.

Work that also was being undertaken on how to tackle the use of New Psychoactive Substances (NPSs) was noted. Furthermore, following a successful workshop a year ago, work was on-going around tackling street lifestyle issues. This work was looking at access to support and, as appropriate, use of Public Space Protection Orders.

In reply to a question, the Head of Community Safety and the Safer Leicester Partnership advised Members that the current PSPO prohibiting street drinking expired in December 2017. Following public consultation, this would be reintroduced in January 2018, along with a new PSPO prohibiting the use of NPSs. Through this, the Police would have additional powers to confiscate alcohol where anti-social behaviour was involved. A possible PSPO on street begging was likely to be considered later in 2018.

Members also raised concerns about how Child Sexual Exploitation (CSE) was addressed. The Team Manager – Domestic and Sexual Violence confirmed that there had been some improvements in this area, as it was identified as a risk by the partnership members. For example, efforts were made to ensure that there was a regular representative of the CSE operations group at the domestic violence and abuse partnership meetings, to aid effective co-

ordination between work streams.

The Commission noted that the 2018/19 Partnership Plan would be prepared shortly. It therefore was suggested that the comments made during discussion on this item could be passed to the Safer Leicester Partnership, with a request that the comments be taken in to consideration when setting the Partnership's objectives and priorities for 2018/19.

AGREED:

- 1) That the work being done by the Safer Leicester Partnership be welcomed and noted; and
- 2) That the Director of Neighbourhood and Environmental Services be asked to:
  - a) Arrange a briefing for Members on what action the Council is taking to address knife crime;
  - b) Circulate the link for the "Slice of Reality" knife crime video and include this video in the briefing referred to under a) above;
  - c) Draw up a potential schedule of reports for consideration by this Commission on the issues identified through the objectives and priorities of the Safer Leicestershire Partnership's partnership plan for 2017/18;
  - d) Pass the comments recorded above to the Safer Leicester Partnership, with a request that the Partnership take them in to consideration when drawing up its 2018/19 partnership plan; and
  - e) Report the programme for the preparation of the Safer Leicester Partnership 2018/19 partnership plan to this Commission at an appropriate time.

#### **48. CAMPAIGN AGAINST DOMESTIC VIOLENCE**

Councillor Clair, Deputy City Mayor, introduced the campaign to improve awareness of sexual and domestic violence, advising Members that further information on any particular area of the campaign was available if required.

The Team Manager – Domestic and Sexual Violence then gave a presentation on the work that the Council was involved in as part of the campaign. A copy of this presentation is attached at the end of these minutes for information.

The following points were then made:

- The campaign had run throughout November 2017;

- It was known that high numbers of men and women were affected by this form of abuse. The figures in the presentation were taken from self-completion surveys as part of the National Crime Survey;
- The majority of people affected did not tell the authorities about the abuse, but were more likely to tell family and friends;
- There were many reasons why abuse was not reported. These included the fear of things such as an escalation of the abuse, losing children, loss of life, not being believed and stigma / shame that those being abused would be judged and seen as to blame;
- In Leicester, Leicestershire and Rutland approximately 13,000 incidents had been reported to the Police in 2016/17 and approximately 11,000 telephone calls made to the helpline commissioned by the Council and partners. These showed an increase in both sexual and domestic violence crimes, representing 44% of the violent crime in the City;
- The “wrong” campaign had been developed in 2016 and was shaped differently for different times of the year;
- The group in which it was felt there was the most under-reporting of domestic and sexual violence was those aged over 55. There also was a degree of under-reporting by Asian / British Asian women;
- Men were very reticent about reporting domestic and/or sexual violence;
- Information on reporting methods was gathered where possible and the pathways / referral routes used examined to inform future work;
- An aim was to encourage perpetrators to take responsibility for their actions and behaviours and self-refer to interventions to support them to change;
- Funding had been made available to increase the visibility of the campaign through means such as large posters put up in various locations around the city. It was hoped that further posters could be put up in areas where there had been a decrease in the number of incidents reported, or where a severe incident was known about, so that reassurance could be offered that services were available;
- Low cost items, such as stickers with contact numbers on, had been given away at events and electrostatic stickers giving contact details had been put up in places like public toilets;
- It was hoped that the number of community champions could be increased; and

- A full evaluation of the campaign was likely to be received in January 2018, but it would take some time to see if the number of referrals increased.

The Commission welcomed the initiatives being taken, but some Members expressed concern that they had not seen the stickers referred to.

Members noted that officers visited schools to increase awareness of domestic and sexual violence and make students aware of services available, but currently there was no comprehensive offer that could be made to schools. However, a national programme was being rolled out under which the Police or Children's Services (following notification from the Police) would contact the relevant school when a report of domestic violence in a home with children in was made. The school would be advised that an incident had occurred, but not the full nature of the incident. It was hoped that this scheme would begin in the city in the next few months

AGREED:

That the Director of Neighbourhood and Environmental Services be asked to:

- a) Present the evaluation report of the November 2017 campaign to increase awareness of domestic and sexual violence to the Commission; and
- b) Give consideration to producing posters containing contact details for services for those experiencing domestic and sexual violence that can be displayed at venues such as schools and community centres.

#### **49. WORK PROGRAMME**

AGREED:

That the work programme for the Commission be received and noted.

#### **50. CLOSE OF MEETING**

The meeting closed at 7.49 pm



## Sexual and Domestic Violence & Abuse Awareness

- 37% of victim-survivors never tell an official agency about the abuse
- People are more likely to tell family and friends
- Which community members know what, and how do they respond?
- Some people suffer far longer abuse than others
- We seek earlier support/challenge and better repair



## Campaign background

'WRONG' concept - a new approach to talking about domestic violence.

- Domestic Homicide and CSEW
- Series of images able to present messages to different audiences
- Contemporary style; colourful; high production values
- Surreal, thoughtful – could have multiple meanings
- Avoiding stereotypes
- Carefully chosen language
- Putting the onus on the viewer to act



## Key messages for under-reporting groups

### Women over 55

Are you tired of putting on a brave face? If you'd like to talk about your options, call UAVA.

### Asian/British Asian women

Abuse in marriage or family relationships is wrong. If you'd like to get information and support, whatever your language or culture, contact UAVA.

### Men

Abuse from a partner or family member is wrong, whether you're male or female. You're not alone.



## Messages for perpetrators: posters, social media and digital screens



Leaflet created in conjunction with Leicestershire Police

### City locations for visuals

LCC public buildings – libraries, community centres, children’s centres, leisure centres

Perpetrators  
City centre JCDecaux boards, customer service centre, Police stations

Women over 55  
City centre JCDecaux boards  
Park & Ride buses  
Glenfield Hospital

Asian/British Asian  
Shama Women’s Centre, Holy Bones Gurdwara, Highfields/Belgrave community centres and libraries, Zynthiya Trust



### Support for events

19 Nov East Park Rd Gurdwara open day

23 Nov Shama centre event

25 Nov Domestic abuse & faith: A vision for Leicester

28 Nov Braunstone CYP centre event

28 Nov Staff bake sale, City Hall

5/6 Dec UAVA open house for stakeholders



## New items to reach wider audiences

**Cup sleeves**  
For events, takeaway cafes



**Electrostatic stickers**  
For toilet doors and washrooms



Leicester City Council

### Service user group

**The Service User Scrutiny and Reference Group is looking for new members**  
**Could this be for YOU?**

*"You change nothing by being on the side-lines"*  
(Group member 2015)

If you have personal experience of seeking help from a local service about sexual or domestic violence or abuse, you could join our scrutiny and reference group. It's for (ex) service users who want to be involved in improving local services.

<b>What would I do!</b>	<b>What would I need!</b>
<ul style="list-style-type: none"> <li>■ Work with other service users</li> <li>■ Ask questions of providers</li> <li>■ Give feedback from a service user perspective</li> <li>■ Shape current and future services</li> </ul>	<ul style="list-style-type: none"> <li>■ The ability to work with others</li> <li>■ A fair outlook</li> <li>■ Some time to contribute</li> <li>■ A desire to see good local services</li> <li>■ To be in the right space, and for it to be the right time, for where you are now in your life</li> </ul>

*"It was really enjoyable and I'm glad to be a part of it"*  
(Group member 2015)

To find out more please contact us on [DSVTeam@leicester.gov.uk](mailto:DSVTeam@leicester.gov.uk) or call 0116 454 0254

**Come and have a voice!** **how many times...**

### Community champion training

Do people naturally talk to you?

**Make a difference as a Community Champion**

Have you found yourself thinking 'How many times?' when you see the horrible events that people have been through?

**YOU CAN HELP** you don't need to be an expert

- Understand the signs and symptoms of sexual and domestic violence
- Become confident in helping people access specialist services

**Be AWARE**   **Know when to ASK**   **Be ALERT**

**INTERESTED?** To just find out more, or to sign up straight away for a half day training session, please contact:

NAME:

CONTACT NUMBER:

**We're waiting to hear from you!**

**UAVA**  
UNITED AGAINST VIOLENCE & ABUSE

Leicester City Council



## Considerations for Scrutiny

- Is the resource balance of engagement, support and accountability right?
- What role do scrutiny members have in this work?
- Where do scrutiny members think the focus should be?







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# ***Language and IT Training***

Lead director: **Ian Bailey**

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## Useful information

- Ward(s) affected: all
- Report author: Kerry Gray
- Author contact details: 0116 4541851
- Report version number plus Code No from Report Tracking Database: 1

### 1. Purpose of report

This report details how the Adult Skills and Learning Service is addressing the increasing adult population from diverse and new communities in Leicester, in terms of helping them to compete for employment and training opportunities and engage better in local community life with particular regard to the majority of these adults having language difficulties (with little or no English) and difficulties accessing digital services (with little or no IT skills).

### 2. Summary

In addressing the identified needs of the city the Council's Adult Skills and Learning Service prioritises English for Speakers of Other Languages (ESOL) and IT related courses and activities to support adults in new communities to participate in day to day life and work.

The service currently has over 1,800 ESOL enrolments and 250 Beginners IT related enrolments on a wide range of courses across the city.

There are three significant barriers to participation in ESOL:

1. Fees and/or eligibility for subsidy
2. Lack of available and affordable childcare
3. Irregular working patterns (shift work / temporary work / gig work / zero hours)

The service has also recently secured additional funding to enhance its services in both areas including support for financial literacy and transition to Universal Credit.

### 3. Recommendations

Members are asked:

- To note the work being carried out in this area by the Adult Skills and Learning Service and refer residents to the service when needs are identified.
- To identify and inform the service of areas of unmet need, so that, if possible, they can be addressed within the planning of programmes for 2018-19.

### 4. Report/Supporting information including options considered:

#### 4.1 The Leicester context.

Leicester has a total population of 342,600 and the population aged 16-64 is 63%. It is one of the most ethnically and culturally diverse places in Britain. Leicester is also the

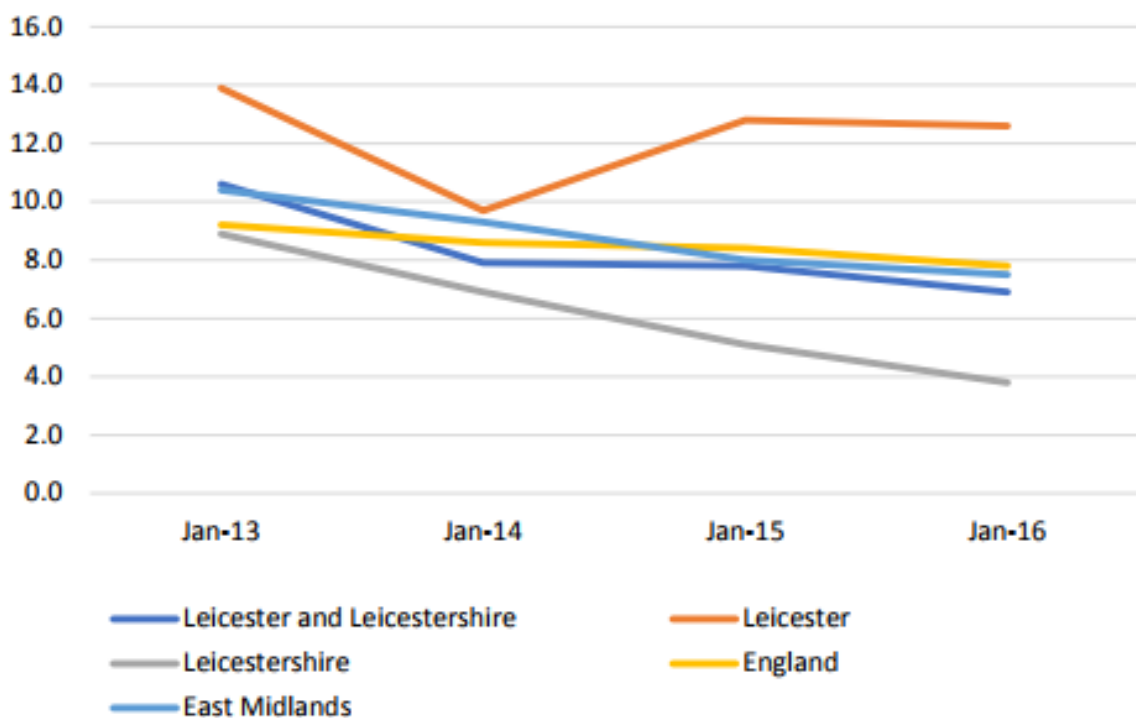


locality with the highest number of non-UK born residents with 110,843 residents, amounting to 33% of the local population. In the 2011 census only 51% of the population was White and this included nearly 5% from countries other than Britain or Ireland. There have, and continue to be, significant numbers of new arrivals to the city creating a need for English as a Second Language provision. Leicester is the 14th most deprived local authority of the 152 upper tier authorities and is therefore in the bottom decile nationally. 46 out of the city's 192 local super output areas (LSOAs) fall within the top 10% most deprived in the country with a further 37 falling in the second decile.

There are close links between deprivation and educational attainment and a key challenge is to raise attainment amongst the most disadvantaged. The Leicester Area Review (completed March 2017) shows that compared to the national average:

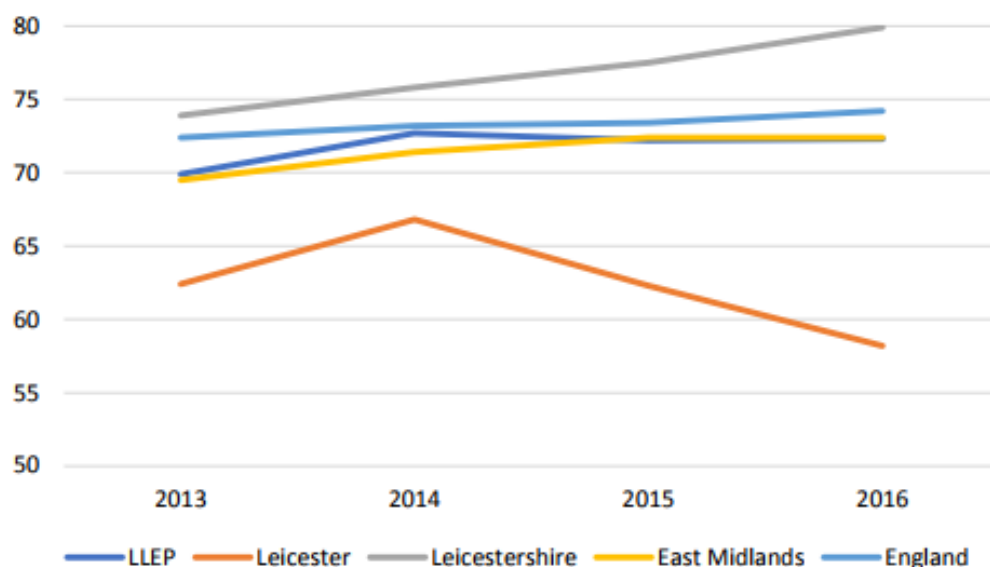
- 28% of Leicester residents are less likely to have a higher level qualification
- 62.2% of Leicester residents are less likely to be qualified to level 2+
- There are high levels of benefit claimants
- The earnings of Leicester residents are particularly low

Fig 1: % of population with no qualifications



Source: Labour Force Survey 2017

Fig 2: % of workforce qualified to Level 2



Source: Labour Force Survey (ONS)

#### 4.2 The Leicester Adult Education and Learning Service (LASALS)

The Leicester Adult Education and Learning Service (LASALS) is a key partner in the Leicester to Work theme of the Leicester: Great City Economic Plan (2016-2020) to:

- Develop a more coordinated and locally accountable approach to improving skills and delivering quality training across the city.
- Achieve a better match between skills needs of businesses and those responsible for delivering education, training and advice.
- Increase the percentage of Leicester City residents qualified to Level 2 or above.

The Service is supported by the Council's ambition to re-engage more adults on the margins of the labour market and to further develop suitable skills progression pathways that can effectively respond to local labour market needs. The Leicester to Work theme also fits with the ambitions of LASALS to improve the lives of Leicester residents by working in partnership to raise aspirations, build achievement and protect the most vulnerable and is underpinned by the Service's Strategic Plan (2017-20) to deliver to Adult Learning and Skills programmes in Leicester. The strategy aims are to:

- To improve employability and economic prosperity
- To raise standards of English, maths and digital literacy
- To encourage longer and healthier living and combat loneliness through participation in learning and supporting the cultural life of Leicester
- To strengthen local cultural participation and production to build stronger communities
- To raise aspirations and motivation to learn through the provision of outstanding learning and skills opportunities

- To make efficient and effective use of the funding available for adult learning and skills development.

The Service provides learning opportunities that enable all adults, irrespective of background, to develop their skills and improve their wellbeing for themselves, their families and their communities. It actively targets learners who are low skilled; have no or low qualification levels; are living in poverty; unemployed, workless or vulnerable to social exclusion; and adults with learning difficulties and/or disabilities and mental ill health. Courses are shaped by learners' needs which are identified through work with learners and effective networking and partnership arrangements across the city.

Leicester City Council holds contracts with the Education Skills Funding Agency for the Adult Education Budget (formerly Adult Skills Budget) and Community Learning. Courses are delivered in 112 community venues across the city to help residents access learning and training. Courses are run at entry level to level 3 and include qualifications in English, maths and ESOL, digital and finance skills and Early Years, Education and Care (EYCE) courses. Community Learning includes personal and community development learning (PCDL) in deprived communities through courses such as employability and ICT, arts, humanities and languages, and the Family Learning programme. There is also a well-established REMIT programme for those with mental health issues seeking learning both for employability and well-being. The Service was last inspected in November 2013 with Ofsted awarding the provision 'Good' in all areas.

#### **4.3 English for Speakers of Other Languages (ESOL)**

In 2017-18 LASALS have 197 ESOL courses planned. There are currently 1826 enrolments on those courses (30% of LASALS enrolments) and the courses equate to 9,628 hours of teaching (35% of LASALS provision). Most learners attend classes twice per week (5 hours), however arrangements are made to accommodate those who need to attend 4 times per week to meet DWP requirements.

Most courses lead to qualifications in Reading, Writing, Speaking and Listening from Entry Level to Level 2. Some non-accredited options are provided for learners at pre-Entry Level and for those who need a little additional time to move from one level to the next.

Courses are offered at 12 venues across the city:

- African Caribbean Centre
- Belgrave Neighbourhood Centre
- Fosse Neighbourhood Centre
- Home Farm Neighbourhood Centre
- Leicester Adult Education College
- Medway Primary School
- Moat Community College
- North Evington Children's Centre
- St Matthews Neighbourhood Centre
- St Matthews House
- Northfields Neighbourhood Centre
- Pork Pie Library and Community Centre
- St Barnabas Library

Enrolment and assessment events are held in all the venues at the beginning of the year. In addition a weekly drop in enrolment and assessment session is held at the Adult Education College every Thursday morning in term time and roll-on courses are provided to enable learners to start learning straight away.

In 2016-17 1,511 learners enrolled on qualification courses. Retention was very good at 94% and 92% of those completing passed the exam, resulting in an 'achievement rate' of 86.8%, significantly above the national minimum standard of 70%. In a recent Welfare Advice meeting the Leicester Race Equality Council stated that they track the progress of people they refer to ESOL provision and those who come to LASALS make significantly better and quicker progress than those attending courses with other providers.

There are three significant barriers to participation:

1. Fees and Eligibility – the rules regarding funding are complex and change frequently. Learners are assessed as 'fully funded' (on benefits and seeking work) and the course is free; 'part funded' (part funded by the ESFA and part by the learner) or 'not eligible for EFSA funding' (due to their residency status)
2. Lack of available and affordable childcare
3. Irregular working patterns (shift work / temporary work / gig work / zero hours)

Asylum seekers and refugees - Asylum seekers and refugees face additional financial barriers and LASALS has secured additional funding and found creative solutions to support as many as possible.

Asylum seekers who have been waiting more than 6 months for a Home Office decision are, like those with refugee status, eligible for co-funding. However, as they are not eligible to work, they don't qualify for fully funded places but do not normally have any source of income from which to pay fees. In order to help address this contradiction, the service successfully applied for funding from the Home Office Migrant Impact Fund to support people in these circumstances. In addition, where the service has groups of a viable size but there is room in the classroom, a place has been provided for an asylum seeker. As a result this year we are supporting over 70 people who would not otherwise have access to ESOL provision.

A second Migrant Impact Fund project - Real English in Action is taking groups of newly arrived ESOL learners into community situations to practice their English in real life situations, whilst also learning about life in the UK. For example, understanding how different aspects of the NHS work, how to register a child for school, volunteering opportunities etc.

Family Learning is another, less formal option for people with children. Short courses are offered in schools and Children Young People and Family Centres across the city, with a focus on parenting skills and supporting children in school.

The Family Learning and ESOL teams have been integral to providing support for the Syrian families who have been resettled in Leicester. The 8th cohort will be welcomed shortly. The Family Learning team provide very basic English classes for the whole family as soon as they arrive and until the children are settled in school. Once the children are in school, the adults are enrolled onto our main ESOL programme at a suitable level. This has proved to be a highly effective strategy with one of the first students, who arrived 2 years ago with no English at all, now enrolled on an

electrician's course with Leicester College in order to enable him to practice his trade in the UK.

New this year, following changes to the requirements, we are offering Citizenship test preparation courses.

We also have 3 ESOL and IT courses this year, taught by an ESOL tutor and combining the language of IT with basic digital skills.

#### **4.4 Digital Inclusion**

This year we have 162 IT and Digital Inclusion courses in the programme with more than 250 enrolments to date. Ranging in level from courses for absolute beginners and Computer Skills for Job Search, to European Computer Driving License and basic web design. Most are at the lower level. There has been a general decline in the market for office based IT courses as the majority of people now have the core skills they require. Those who remain are reluctant and harder to reach learners. Digital skills for Beginners and Computer Skills for Job Search courses are free.

Courses are offered at 13 venues across the city:

- African Caribbean Centre
- Beaumont Leys Library
- Belgrave Neighbourhood Centre
- The BRITE Centre
- Central Library
- Eyres Monsell Community Centre
- Highfields Library
- Leicester Adult Education College
- New Parks Library
- St Matthews Neighbourhood Centre
- St Matthews House
- Pork Pie Library and Community Centre
- St Barnabas Library
- The Tudor Centre

Enrolment and assessment events are held across the city at the beginning of the year and a weekly drop in session is held on Thursday mornings at the Adult Education College in the city centre.

In 2016-17 134 people achieved qualifications with a retention rate of 88% and a pass rate of 92% resulting in achievement of 80% which matches the national minimum standard.

54% of participants on IT related courses are from Black and Minority Ethnic groups and 65% of those are female.

We have secured funding for two new initiatives:

**Moneywise +** This is an ESF funded project of which LASALS is a partner. We offer free 1:1 digital skills support with a focus on saving and managing money online and signposting to financial support.

**Universal Credit** - We are currently designing a short Introduction to Universal Credit course with colleagues from Revenues and Benefits and the DWP locally. This will be rolled out on a referral basis with the roll out of UC across the city. The courses will focus on the Basic Digital Skills needed to complete an application and maintain the account as well as signposting to appropriate further learning opportunities (ESOL, English, maths, IT or employment support) and support services.

#### **4.5 Embedded English, maths and IT skills**

A key strength of the service is that all courses have embedded English, maths and IT skills. Tutors work creatively to include relevant activities and provide signposting to other courses where they identify learners with development needs in these areas. For example on an arts based course a tutor will show learners how they can access instructional videos on YouTube, inspirational material about different artists on the websites of galleries and museums or buy materials more cheaply online.

Learner feedback in 2016-17 indicated that, across all courses:

- 64% improved their reading skills
- 62% improved their writing skills
- 74% learned new vocabulary
- 61% developed their use of technology
- 60% increased their employability skills
- 59% learned how to stay safe online

### **5. Financial, legal and other implications**

#### 5.1 Financial implications

There are no financial implications arising from this report.

Martin Judson, Head of Finance, tel: 0116 454 4101

#### 5.2 Legal implications

There are no legal implications arising from this report.

Paul Atreides, Head of Law (Employment, Education & Litigation), tel: 0116 454 1428

#### 5.3 Climate Change and Carbon Reduction implications

The provision of courses at community venues in local neighbourhoods across the city reduces the travel distances for learners and makes sustainable travel modes more viable – helping to keep any carbon (and air pollution) emissions from travel to a minimum.

Duncan Bell, Senior Environmental Consultant, tel: 0116 454 2249

#### 5.4 Equalities Implications

The work of the Adult and Skills and Learning Service helps us to meet our statutory responsibilities under the Equality Act 2010, in particular the Public Sector Equality Duty (PSED) the main aims of which are: to eliminate unlawful discrimination, harassment and victimisation, advance equality of opportunity between different groups and foster good relations between different groups. The service is addressing the increasing adult population of diverse and new communities in Leicester by helping them to participate in day to day life and work, getting them better prepared for the jobs market and improving other skills with particular regard to the majority of these not having English as their first language, and for some having little or no IT skills. These areas contribute to the three above mentioned aims of the PSED and should lead to a positive impact.

The current services/courses on offer, as well as the new initiatives being proposed, should lead to a positive impact across all the protected characteristics as defined by the Equality Act, with specific courses focussing on vulnerable groups such as refugees and asylum seekers.

Sukhi Biring, Equalities Officer, Ext 374175

#### **6. Background information and other papers:**

None

#### **7. Summary of appendices:**

None

#### **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







Council

Date: Draft for 21<sup>st</sup> February 2018

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## General Fund Revenue Budget 2018/19 to 2020/21

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### Report of the Director of Finance

#### 1. Purpose

- 1.1 The purpose of this report is to ask the Council to consider the City Mayor's proposed budget for 2018/19 to 2020/21.
- 1.2 The proposed budget is described in this report, subject to any amendments the City Mayor may wish to recommend when he makes a firm proposal to the Council.
- 1.3 This draft budget has been prepared in advance of the finance settlement for 2018/19, and the final report will be updated to reflect any new information received.

#### 2. Summary

- 2.1 The Council is enduring the most severe period of spending cuts we have ever experienced.
- 2.2 On a like for like basis, government grant has fallen from £289.2m in 2010/11 to an estimated £167.0m by 2019/20, a cut of 51% in real terms.
- 2.3 As a consequence of these cuts, the Council's budget (on a like for like basis) has fallen from £355.7m in 2010/11 to an estimated £280.5m in 2019/20. Despite this, spending on social care is demand led, and numbers of older people requiring care and looked after children have increased over this period. As a consequence, spending on all other services will fall from £192m to an estimated £85m, a cut of 62% in real terms.
- 2.4 We know from reports of the Institute of Fiscal Studies and our own analysis that government cuts have disproportionately hit the most deprived authorities (such as Leicester).
- 2.5 Since 2014/15, the Council's approach to achieving these substantial budget reductions has been based on the following approach:-

- (a) An in-depth review of discrete service areas (the “Spending Review Programme”);
  - (b) Building up reserves, in order to “buy time” to avoid crisis cuts and to manage the Spending Review Programme effectively. We have termed this the “managed reserves strategy”.
- 2.6 The Spending Review Programme is a continuous process. When individual reviews conclude, an Executive decision is taken and the budget is reduced in-year, without waiting for the next annual budget report. Executive decisions are informed by consultation with the public (where appropriate) and the scrutiny function.
- 2.7 This approach has served us well. Budgets for the period 2013/14 to 2015/16 contributed £42m to reserves, in order to buy time. In practice, the strategy has been sustained by the achievement of in-year savings which increased the amounts available. This has helped us to postpone the maximum impact of government cuts.
- 2.8 Since 2016/17, however, budgets have planned to take money from reserves rather than add to them. Reserves are consequently running out.
- 2.9 Because of the spending review approach, the Council has been able to balance the budget in 2018/19, making use of most of the remaining reserves. However, the outlook beyond 2018/19 is extremely difficult, as reserves will inevitably run out before 2020. There is no realistic hope of the strategy being extended this far.
- 2.10 Medium term budgets cannot be balanced without additional, deep, cuts. The forecast gap in 2019/20 is £27m, and the current estimate of reserves to bridge this is just £3.4m. Outstanding spending reviews will realise savings of £10m per year at the most.
- 2.11 In early December, local government employers made a pay offer amounting to 5.6% over 2 years. If additional funding is not received from the Government, an additional £4.5m saving will be required in 2019/20. In 2018/19, the budget contingency will need to be used.
- 2.12 As a consequence, the following approach has been adopted:-
- (a) The budget for 2018/19 has been balanced using reserves, and can be adopted as the Council’s budget for that year;
  - (b) A further round of spending reviews has commenced (“Spending Review 4”). This has allocated target savings of £20m across departments, and work to identify and achieve this level of saving is taking place;
  - (c) A more realistic assessment of the current outstanding reviews has been carried out, and a figure of £8.5m was rolled into the Spending Review 4 targets (rather than the formal outstanding amount of £12.8m). Of this £8.5m, £5.9m remains outstanding.

- 2.13 **What this means is that, in substance, the budget proposed is a one year budget with projections of the further cuts required beyond 2018/19.**
- 2.14 These cuts need to be planned over the next 12 months, and implementation commenced as quickly as possible. Any savings achieved before 2019/20 will increase the level of reserves available to support the budget in that year.
- 2.15 It cannot be stressed enough how difficult these cuts will be. We continue to face growth in social care costs, and it is not impossible that these services will consume an ever greater proportion of the budget (squeezing out the traditional services provided to the whole community). Government intentions for social care funding beyond 2019/20 are not known.
- 2.16 It should also be noted that there are some significant risks in the budget – more so than usual. These are described in paragraph 16, and to help mitigate these, a contingency of £2m has been included in the 2018/19 budget.
- 2.17 Additionally, a number of departments are facing difficulties living within their existing budget ceilings. These pressures, and mitigating actions, are further described in paragraph 7 below.
- 2.18 The budget provides for a council tax increase of 5%, which is the maximum available to us without a referendum. 3% of this 5% is for the “social care precept” – the Government has permitted social care authorities to increase tax by more than the 2% available to other authorities, in order to help meet social care pressures. In practice, increasing our tax by 5% for 2 years will only meet a small proportion of the extra costs we are incurring.
- 2.19 In the exercise of its functions, the City Council (or City Mayor) must have due regard to the Council’s duty to eliminate discrimination, to advance equality of opportunity for protected groups and to foster good relations between protected groups and others. The budget is, in effect, a snap-shot of the Council’s current commitments and decisions taken during the course of 2017/18. There are no proposals for decisions on specific courses of action that could have an impact on different groups of people. Therefore, there are no proposals to carry out an equality impact assessment on the budget itself, apart from the proposed council tax increase (this is further explained in paragraph 11 and the legal implications at paragraph 21). Where required, the City Mayor has considered the equalities implications of decisions when they have been taken and will continue to do so for future spending review decisions.

### 3. **Recommendations**

3.1 Subject to any amendments recommended by the Mayor, the Council will be asked to:-

- (a) approve the budget strategy described in this report, and the formal budget resolution for 2018/19 which will be circulated separately;
- (b) note comments received on the draft budget from scrutiny committees, trade unions and other partners (when received);
- (c) approve the budget ceilings for each service, as shown at Appendix One to this report;
- (d) approve the scheme of virement described in Appendix Two to this report;
- (e) note my view that reserves will be adequate during 2018/19, and that estimates used to prepare the budget are robust;
- (f) note the equality implications arising from the proposed tax increase, as described in paragraph 11 and Appendix Five;
- (g) approve the prudential indicators described in paragraph 18 of this report and Appendix Three;
- (h) approve the proposed policy on minimum revenue provision described in paragraph 19 of this report and Appendix Four;
- (i) emphasise the need for outstanding spending reviews to be delivered on time, after appropriate scrutiny;
- (j) agree that finance procedure rules applicable to trading organisations (4.9 to 4.14) shall be applicable only to City Catering, operational transport and highway maintenance.

#### 4. **Budget Overview**

4.1 The table below summarises the proposed budget, and shows the forecast position for the following three years:-

	<b><u>2018/19</u></b> <b>£m</b>	<b><u>2019/20</u></b> <b>£m</b>	<b><u>2020/21</u></b> <b>£m</b>
<b><u>Service budget ceilings</u></b>	252.8	254.9	258.9
<b><u>Corporate Budgets</u></b>			
Capital Financing	13.8	13.6	13.0
Miscellaneous Central Budgets	(3.3)	(3.2)	(2.9)
Corporate Contingency	2.0		
Education Funding Reform	3.8	3.8	3.8
<b><u>Future Provisions</u></b>			
Inflation		4.5	8.9
Planning provision		3.0	6.0
<b><u>Managed reserves Strategy</u></b>	(14.0)	(3.4)	
<b>TOTAL SPENDING</b>	<b>255.1</b>	<b>273.2</b>	<b>287.7</b>
<b><u>Resources – Grant</u></b>			
Revenue Support Grant	38.4	28.4	29.3
Business rates top-up grant	44.4	45.9	47.3
New Homes Bonus	6.0	5.1	3.6
<b><u>Resources – Local Taxation</u></b>			
Council Tax	106.8	109.6	112.6
Business Rates	58.4	60.2	61.8
Collection Fund Surplus	1.1		
<b>TOTAL RESOURCES</b>	<b>255.1</b>	<b>249.2</b>	<b>254.6</b>
Projected tax increase	5.0%	2.0%	2.0%
Gap in resources	NIL	24.0	33.2
Underlying gap in resources	14.0	27.4	33.2

4.2 The table above includes sufficient money for a 1% pay award for local government staff in each year. On 5<sup>th</sup> December, the employers' side of the NJC made a formal offer of a pay award averaging 2.8% p.a. nationally (2.5% locally). It is not yet clear if the government will be providing additional funding to local authorities to meet this cost pressure. If it is not fully funded, the corporate contingency is sufficient to meet the additional costs for 2018/19, but a significant additional cost pressure will arise in 2019/20 and 2020/21 (estimated at £4.5m per year).

- 4.3 Future forecasts are of course volatile and will change.
- 4.4 The forecast gap in 2019/20 and 2020/21 makes no allowance for most inflation (other than for pay awards). In real terms, the gap for 2020/21 is some £5m higher.

5. **Council Tax**

- 5.1 The City Council’s proposed tax for 2018/19 is £1,492.77, an increase of just below 5% compared to 2017/18.
- 5.2 The tax levied by the City Council constitutes only part of the tax Leicester citizens have to pay (albeit the major part). Separate taxes are raised by the police authority and the fire authority. These are added to the Council’s tax, to constitute the total tax charged.
- 5.3 The total tax bill in 2017/18 for a Band D property was as follows:-

	£
City Council	1,421.69
Police	187.23
Fire	62.84
<b>Total tax</b>	<b>1,671.76</b>

- 5.4 The actual amounts people are paying in 2017/18, however, depend upon the valuation band their property is in and their entitlement to any discounts, exemptions or benefit. Almost 80% of properties in the city are in band A or band B.
- 5.5 The formal resolution will set out the precepts issued for 2018/19 by the Police and Crime Commissioner and the fire authority, together with the total tax payable in the city.

6. **Construction of the Budget**

- 6.1 By law, the role of budget setting is for the Council to determine:-
- (a) The level of council tax;
  - (b) The limits on the amount the City Mayor is entitled to spend on any service (“budget ceilings”).
- 6.2 The proposed budget ceilings are shown at Appendix One to this report.
- 6.3 The ceilings for each service have been calculated as follows:-
- (a) The starting point is last year’s budget, subject to any changes made since then which are permitted by the constitution (e.g. virement);

- (b) Decisions taken by the Executive in respect of spending reviews which are now being implemented have been deducted from the ceilings;
- (c) Increases in pay costs. The pay award for local government staff from April 2018 is yet to be agreed; an offer averaging around 2.5% was made in December. Budget ceilings in Appendix One have been calculated on an assumed 1% pay award, plus the rise in the UK Living Wage. This will be revised in preparation of the final budget for Council approval.
- 6.4 Apart from the above, no inflation has been added to departments' budgets for running costs or income, except for an allowance for:-
- (a) Independent sector adult care (2%);
- (b) Foster care (2%);
- (c) Costs arising from the waste PFI contract (3.8% - RPI).
- 6.5 The following spending review decisions have been formally taken since February 2017, and budgets reduced accordingly:-

	<u>17/18</u>	<u>18/19</u>	<u>19/20</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>
Transforming Neighbourhood Services	12	41	69
Cleansing	365	508	700
Early Help Remodelling	1,200	3,500	3,500
Civic & Democratic Services	280	280	280
Investment Property	180	340	500
Corporate Administration	240	1,300	1,300
Using Buildings Better / Channel Shift	295	355	355
Regulatory Services	12	271	271
Sexual Health	245	245	245
Lifestyle Services	270	270	270
Youth Services	-	923	923
Community Capacity	62	125	125
Park & Ride	-	100	100
Supported Housing <sup>1</sup>	-	250	250
Tourism, Culture & Investment	381	620	1,008
	<b>3,542</b>	<b>9,128</b>	<b>9,896</b>

Savings realised in 2017/18 are being used to support the managed reserves strategy into 2019/20.

- 6.6 A full schedule of reviews included in the programme is provided at Appendix Eight. In addition, departments have been asked to prepare plans to save an

<sup>1</sup> This decision is subject to a "call in" at the time of writing

additional £20m by 2019/20, to address the remaining budget gap in that year. Work on these savings is ongoing, and has not yet been included in budget projections.

## 7. How Departments will live within their Budgets

7.1 The role of the Council is to determine the financial envelopes within which the City Mayor has authority to act. In some cases, changes to past spending patterns are required to enable departments to live within their budgets. Actions taken, or proposed by the City Mayor, to live within these budgets is described below.

### Adult Social Care

7.2 In common with adult care services across the country, the department faces significant cost pressures. These principally arise from:-

- (a) Demographic growth – an ageing population means the number of older people requiring care is increasing (which has been the pattern for many years);
- (b) Increasing frailty and the impact of people having multiple health conditions that increase the level of care and support required (not just in older people, but also for adults of working age who are supported by the department);
- (c) Increasing cost of packages after individuals have been assessed and care has started to be provided. In practice, this is proving to be an area of significant cost increase (projected at an average 5.7% on the original package cost);
- (d) The National Living Wage – this was introduced by the Government in April 2016, and is due to increase in stages to around £9 per hour by 2020/21. These increases are creating substantial pressures for independent sector care providers, who are heavily dependent on a minimum wage workforce; and they will seek to pass on additional costs to local authorities.

7.3 The Government has partially recognised the difficulties facing adult social care, and has:-

- (a) Permitted social care authorities to increase council tax by 5% in 2018/19 (as opposed to the usual referendum limit of 2%);
- (b) Provided additional funds through the “Improved Better Care Fund” (iBCF). Monies available will rise to £15.5m by 19/20.

7.4 These measures are far from adequate, and we have no indication of what will be provided beyond 2019/20 (we have simply assumed BCF amounts in 19/20 will roll forward at the same level).

7.5 In 2016/17, the Council recognised the growing costs of care, and a significant injection of funds was provided.



7.6 The department has estimated the impact of increased packages of care on its current budget, and is able to fund these from a combination of growth in BCF monies and some one-off monies:-

	<u>18/19</u> <u>£m</u>	<u>19/20</u> <u>£m</u>
Forecast growth	7.2	11.5
<b><u>Funding</u></b>		
Better Care Fund	6.2	7.7
CCG Income	0.3	0.3
One-off Monies	0.7	3.5
<b>Total funding</b>	<b>7.2</b>	<b>11.5</b>

7.7 The use of one-off monies, and uncertainty about Government intentions, means that the position for 2020/21 and beyond is extremely vulnerable. Indeed, without additional funding, it is fair to say that social care provision (locally and nationally) will face crisis by 2020.

Education and Children's Services

7.8 The most substantial pressure facing the Education and Children's Services Department is increasing service demand. This manifests itself in growth in the numbers of looked after children (currently averaging 4% per annum). Like Adult Social Care, money was added to the budget in 2016/17, but this was predicated on an expectation that future growth could be curtailed. This has not proven to be the case.

7.9 The table below shows the cost pressures facing the department:-

	<u>£m</u>
Looked after children – placement costs	5.0
Home to school transport	1.2
Other pressures	1.1
<b>Total pressures</b>	<b>7.3</b>

7.10 In addition to looked after children, pressures have grown on home to school transport (the majority of which is itself caused by the increase in looked after children numbers). Other pressures arise for a number of reasons, principally due to increase in demand across all services and not realising some anticipated savings (although delivering some substantial transformation programmes).

7.11 A number of approaches are being adopted to mitigate these pressures, which include:-

- (a) Reducing reliance on agency foster care, by recruiting 24 more internal foster carers. This is expected to save £0.9m by 2019/20;
- (b) Reducing the number of external residential placements for looked after children (which are extremely expensive) by 10, by increasing semi-supported accommodation and returning young people to Leicester through planned moves. This is expected to save around £1.3m per annum by 2019/20;
- (c) Expansion of the multi-systemic therapy treatment teams. These provide intensive support to children and families to address the reasons underlying the need for intervention: expanding the teams and piloting a new intervention method (Functional Family Therapy) is expected to save £1.2m per annum by 2019/20;
- (d) Reviewing all cases of home to school transport to ensure the existing policy is being consistently applied, and where appropriate ceasing existing arrangements. This is anticipated to save £0.7m per annum by 2019/20;
- (e) An end to end review of all elements of SEN transport provision is planned. This will examine eligibility, use of independent travel and personal transport budgets, use of fleet and the potential for multi-authority and regional solutions.

7.12 However, these measures by themselves are unlikely to be sufficient. Wider strategies will be adopted to address increased demand and rising placement costs, which are described below. The department may also need to make further savings during the course of the year.

7.13 In respect of the less complex non-residential placement growth, these strategies include:-

- (a) Adopting the “no wrong door” principle;
- (b) Integration of YOS case workers and advocates with “edge of care” social work;
- (c) Implementation of a “Signs of Safety” programme, to improve quality of work and better assessment of risk by workers.

7.14 To address more complex residential placements, the following work is taking place:-

- (a) Compilation of a placement and commissioning sufficiency strategy;
- (b) Monthly reviews of all residential placements to check whether the placement can be stepped down to less expensive care;

- (c) A provider event to see whether the market can be stimulated to provide more cost effective specialist homes in the city or specialist foster placements;
- (d) Increased quality checks on the work of specialist residential homes;
- (e) Earlier identification of complex cases with partners, to increase the number of joint funded placements as appropriate.

7.15 In addition to General Fund pressures, there are two other significant pressures affecting the department:-

- (a) National changes in the education funding system have led to the loss of Education Services Grant (which was £4.5m in 2017/18). This will be replaced by a much smaller central services grant, and £2.8m of corporate funding has been made available to address the shortfall. However, the change will have a significant impact on the school improvement service, which will reduce in size by around £1m as a consequence;
- (b) Significant pressure on the high needs block element of Dedicated Schools Grant is anticipated. This is not part of the overall General Fund: whilst £1m of corporate funding has been provided, reflecting reduced general fund overheads, the balance will need to be resolved within overall schools' funding. Pressures have arisen because of rising numbers of SEN pupils, with some conditions (autism and mental health) increasing disproportionately. Changes to the national school funding formula will compound the problem, because the new formula will only provide £4,000 per special school pupil for growth. The expected impact is a significant reduction in support services for SEN provided by the authority, although in the short term the cost will be met from reserves of Dedicated Schools Grant.

#### City Development and Neighbourhoods

7.16 The department provides a wide range of statutory and non-statutory services which contribute to the wellbeing and civic life of the city. It brings together local services in neighbourhoods and communities, economic strategy, strategic and local transportation, tourism, regeneration, the environment, culture, heritage, libraries, housing and property management.

7.17 Historically, I have been able to report that the department has been able to live within its budget. This is now much more difficult. The department faces budget pressures of £1.5m in 2018/19 and beyond which can no longer be managed with service budgets. These arise from:-

	<u>£m</u>
Waste management	0.7
Bereavement income	0.4
Leicester market	0.4
Total	<u>1.5</u>

- 7.18 The pressures in **waste management** arise from a number of factors. These include the cumulative effect of increases in landfill tax rates since 2014/15; changes in Government regulations which mean that some waste from Wanlip has started to attract a higher rate of landfill tax; a shortfall of income at Gypsum household waste recycling centre, which can now be seen as permanent; and gradually increasing levels of waste going to landfill as the number of households rises.
- 7.19 **Bereavement income** has fallen on what appears to be an on-going basis due to competition from other facilities.
- 7.20 The income and expenditure budgets for **Leicester Market** need realigning in the light of current trends affecting markets nationally.
- 7.21 Additionally, the department faces a temporary pressure in 2018/19 as a consequence of the spending review programme. The department has been a substantial contributor to the success of this programme, and decisions have been taken to reduce budgets by some £19m to date. Completed reviews include:-
- (a) Technical Services - £10.1m;
  - (b) Investment Properties - £0.6m;
  - (c) Neighbourhood Services - £1.5m;
  - (d) Parks and Open Spaces - £1.7m;
  - (e) Homelessness Services - £1.5m;
  - (f) Cleansing and Waste - £0.7m;
  - (g) Regulatory Services - £0.4m;
  - (h) Tourism, Culture and Investment - £1.1m.
- 7.22 All these savings are expected to be delivered, but the Technical Services Review is running late. Certain preparatory and ancillary works to minimise the impact of savings have taken longer than anticipated and resulted in some programme drift. As a consequence, around £1.5m of further pressures exist within the 2018/19 budget.
- 7.23 In practice, whilst some of the pressures can be mitigated (purchase of new equipment may reduce the additional landfill tax for instance), the department will need to make further savings during the course of the year.

## Health and Wellbeing

- 7.24 The Health and Wellbeing Division consists of core public health services, together with Sports and Leisure provision. It is partly funded from Public Health Grant and partly from the General Fund.
- 7.25 Public Health Grant is falling, by an estimated £0.7m in each of 2018/19 and 2019/20. The department will manage these reductions through the spending review process. The following reviews are yet to finish and will ensure the necessary savings are achieved:-
- (a) A review of sexual health services;
  - (b) A review of lifestyle services.
- 7.26 Both these reviews are on course to achieve the expected savings. The department is consequently able to live within its reduced level of budget (although it will also be expected to contribute to Spending Review 4 in due course).
- 7.27 Sport and Leisure Services are also subject to review, as part of the current spending review programme. A public consultation has recently been completed, and proposals will be made shortly.

## Corporate Resources and Support

- 7.28 The key challenge facing the department is to be as cost effective as possible, in order to maximise the amount of money available to run public facing services. The department has achieved £14m of savings since 2011/12, and will inevitably need to save considerable further sums as part of the Spending Review 4 programme.
- 7.29 The department will manage within its budget ceilings for 2018/19, having absorbed new spending pressures. These pressures include:-
- (a) Continuing reduction in housing benefit administration grant, received from the DWP. This is estimated to fall by £280,000 in 2018/19 and a further £190,000 in 2019/20. Grant received in 2019/20 will be less than half the £3.5m received in 2010/11;
  - (b) Pressures on the revenues and benefits service will increase with the “full service” roll out of Universal Credit in June 2018. This will be high risk in terms of delivery and customer impact;
  - (c) The department is working hard to retain levels of traded income, especially from the HR service to schools;
  - (d) The department has to facilitate a high level of change across the Council, with reduced staff. In particular, HR is affected by organisational change work, and a dramatic increase in employment case work volumes. Growth in the use of IT and the move to mobile working and greater use of on-line customer service channels continues to be a challenge for the IT division, and there are increasing needs to

respond to the threats of cyber security. Legal Services faces an increased number of child care proceedings and contested debt.

## 8. **Sums to be Allocated to Services**

8.1 Unusually this year, there are no sums which are required to be allocated to services during the course of the year.

8.2 It appears likely that the pay award for 2018/19 will exceed the 1% built into budget ceilings (see para. 4.2 above). If the Government does not fully fund this cost pressure to local authorities, further funding from the corporate contingency (see para. 9.3) may need to be allocated to make up the shortfall.

## 9. **Corporately held Budgets**

9.1 In addition to the service budget ceilings, some budgets are held corporately. These are described below (and shown in the table at paragraph 4).

9.2 The budget for **capital financing** represents the cost of interest and debt repayment on past years' capital spending. This budget is not controlled to a cash ceiling, and is managed by the Director of Finance. Costs which fall to be met by this budget are driven by the Council's approved treasury management strategy, which will be approved by the Council in January. This budget is declining over time, as the Government now provides grant in support of capital expenditure instead of its previous practice of providing revenue funding to service debt.

9.3 A one-off **corporate contingency** of £2m has been created in 2018/19 to manage significant pressures that arise during the year.

9.4 Paragraph 7.15 above describes the **education funding reforms** that will come into effect from 2018/19. Whilst the Education and Children's Services Department is making changes to mitigate these effects, a provision has been made for funding reductions which the department is unable to mitigate.

9.5 **Miscellaneous central budgets** include external audit fees, pensions costs of some former staff, levy payments to the Environment Agency, bank charges, the carbon reduction levy, monies set aside to assist council taxpayers suffering hardship and other sums it is not appropriate to include in service budgets. These budgets are offset by the effect of charges from the general fund to other statutory accounts of the Council (which exceed the miscellaneous costs).

## 10. **Future Provisions**

10.1 This section of the report describes the future provisions shown in the table at paragraph 4 above. These are all indicative figures – budgets for these years will be set in February prior to the year in question.

10.2 The provision for **inflation** includes money for:-

- (a) Pay awards in 2019/20 and 2020/21. It is assumed that local funding will be required equivalent to 1% per annum. If Government funding is not forthcoming for the recent pay offer, the provision will be increased prior to the final report being considered by Council;
  - (b) A contingency for inflation on running costs for services unable to bear the costs themselves. These are: waste disposal, independent sector residential and domiciliary care, and foster payments.
- 10.3 A **planning provision** has been set aside to manage uncertainty. Our general policy is to set aside a cumulative £3m per year, each year for the duration of the strategy. This can then be removed in subsequent budget reports, to the extent that it has not been utilised elsewhere. In recent years, it has been used to deal with the impact of education funding reform.

## 11. **Budget and Equalities (Hannah Watkins)**

- 11.1 The Council is committed to promoting equality of opportunity for its local residents; both through its policies aimed at reducing inequality of outcomes, and through its practices aimed at ensuring fair treatment for all and the provision of appropriate and culturally sensitive services that meet local people's needs.
- 11.2 In accordance with section 149 of the Equality Act, the Council must "have due regard", when making decisions, to the need to meet the following aims of our Public Sector Equality Duty:-
- (a) eliminate discrimination;
  - (b) advance equality of opportunity between protected groups and others;
  - (c) foster good relations between protected groups and others.
- 11.3 Protected groups under the public sector equality duty are characterised by age, disability, gender re-assignment, pregnancy/maternity, race, religion or belief, sex and sexual orientation.
- 11.4 When making decisions, the Council (or City Mayor) must be clear about any equalities implications of the course of action proposed. In doing so, it must consider the likely impact on those likely to be affected by the recommendation; their protected characteristics; and (where negative impacts are anticipated) mitigating actions that can be taken to reduce or remove that negative impact.
- 11.5 This report seeks the Council's approval to the proposed budget strategy. The report sets out financial ceilings for each service which act as maxima above which the City Mayor cannot spend (subject to his power of virement). However, decisions on services to be provided within the budget ceilings are taken by managers or the City Mayor separately from the decision regarding the budget strategy. Therefore, the report does not contain details of specific service proposals. However, the budget strategy does recommend a proposed

council tax increase for the city's residents. The City Council's proposed tax for 2018/19 is £1,492.77, an increase of just below 5% compared to 2017/18. As the recommended increase could have an impact on those required to pay it, an assessment has been carried out to inform decision makers of the potential equalities implications. This is provided at Appendix Five.

- 11.6 In a nutshell, the likely impact on a household depends on whether or not the household is reliant on social security benefits.
- 11.7 The assessment of the council tax increase for 2017/18 suggested a very limited impact on the household finances of council tax payers who are not dependent on social security benefits as it was argued that the increase would be readily mitigated by increased levels of household discretionary income which had been seen nationally. However, more recently, we have seen that disposable income has fallen in real terms. This has multiple causes: slow wage growth (only partly offset by rising employment rates), welfare changes and inflation.
- 11.8 The table below (taken from the ASDA income tracker) shows the changes in disposable income for different brackets of household earnings and shows that families with the lowest income have seen the biggest reduction, whereas those in the top bracket have seen spending power increase year on year.

<b>Income Bracket</b>	<b>Weekly income</b>	<b>Weekly income growth</b>	<b>Weekly disposable income</b>	<b>Weekly disposable income growth</b>
Highest income	£1,928	2.3%	£699	1.5%
2 <sup>nd</sup> highest	£935	2.0%	£259	0.2%
Middle	£606	1.6%	£110	-3.5%
2 <sup>nd</sup> lowest	£379	1.0%	£48	-10.0%
Lowest Income	£180	0.5%	£-26	-25.9%

The ASDA income tracker is an indicator of the economic prosperity of 'middle Britain', taking into account income, tax and all basic expenditure. ASDA's customer base matches the UK demographic more closely than that of other supermarkets.

- 11.9 60% of households saw their discretionary incomes decrease in the 12 months to August 2017. This reflects the continued pressure on household budgets. Inflation in a number of categories, from food prices to electricity and clothing, has increased the cost of essential spending substantially over the past months.
- 11.10 Having said this, in most cases, the change in council tax (maximum £1.06/week for a band B property) is a small proportion of disposable income, and a small contributor to the squeeze on household budgets.



- 11.11 Some households reliant on social security benefits are likely to be adversely affected by both an increase in inflation and further implementation of the Government's welfare reforms. Positively, many forecasters have predicted that inflation will have peaked in October 2017, before dropping back in 2018 as the impact of the pound's fall starts to fade.
- 11.12 The increase in tax alone would contribute only a small increase in weekly costs for many benefit dependent households but it must be considered that there is likely also likely to be an adverse impact on some benefit dependent households arising from the **rollout of Universal Credit in summer 2018** and, therefore, there is likely to be a cumulative impact on those households.
- 11.13 The Council has a number of mitigating actions in place to provide support in instances of short term financial crisis.
- 11.14 Locally, Council services provide (or fund) a holistic safety net including the provision of advice, personal budgeting support, and signposting provision of necessary household items. It is important to note that these mitigating actions are now the sole form of safety net support available to households in the city. A House of Commons Works and Pensions Committee report in January 2016 ('The local welfare safety net') described this devolution of discretionary support to those in short term financial crisis to local government. There is now no other source of Government support available.
- 11.15 Since April 2013, as a consequence of the Government's welfare reforms, all working age households in Leicester have been required to contribute towards their council tax bill. Our current council tax reduction scheme (CTRS) requires working age households to pay at least 20% of their council tax bill, and sets out to ensure that the most vulnerable householders are given some relief in response to financial hardship they may experience. In order to apply for a Council Tax Discretionary Relief, a charge payer must have a Council Tax liability and:
- be in receipt of Council Tax Reduction; and/or,
  - be in receipt of Universal Credit (UC); and/or,
  - require further financial assistance; and/or,
  - suffer hardship through an extreme event or natural disaster where their main or sole residence has structural damage, which could not reasonably have been rectified within the normal period of exemption.
- 11.16 Leicester is ranked as the 21<sup>st</sup> most deprived local authority in the country. In addition to provision of a 'local welfare safety net', council services seek to address inequalities of opportunity that contribute to this deprivation. They do this by seeking to improve equality of outcomes for those residents that we can directly support. The role of Adult Social Care is crucial in this context, and the approval of the additional 3% of council tax to maintain this service provision for a growing number of elderly people (and to a lesser extent, those people who require support arising from a disability) will directly contribute to improved outcomes related to health; personal safety; and personal identity, independence and participation in community life. There are likely to be

significant equalities impacts should the council be in a position where they are unable to fund support for those who require it.

- 11.17 Our public sector equality duty is a continuing duty, even after decisions have been made and proposals have been implemented. Periodically we review the outcomes of earlier decisions to establish whether mitigating actions have been carried out and the impact they have had. The spending review programme enables us to assess our service provision from the perspective of the needs of individual residents. This “person centred” approach to our decision making ensures that the way we meet residents’ needs with reducing resources can be kept under continuous review – in keeping with our Public Sector Equality Duty.
- 11.18 The Council has a legal duty to set a balanced budget. In the current financial climate, a lower council tax increase would require even greater cuts to services. While it is not possible to say where these cuts would fall (and therefore which specific groups would be affected), the users of Adult Social Care are mostly older people or, to a lesser extent, adults who have a disability and therefore there are likely to be negative equalities implications arising from a decision to implement a lower council tax increase.

## 12. **Government Grant**

- 12.1 At the time of writing this report, the finance settlement for 2018/19 had not been received. However, in 2016/17, the Government offered, and we accepted, a four year certainty deal which means the revenue support grant figures for 2018/19 and 2019/20 are fixed, “barring exceptional circumstances.”
- 12.2 As can be seen from the table at paragraph 4, Government grant is a major, though reducing, component of the Council’s budget. Under the current funding system, Government support for the general budget principally consists of:-
- (a) **Revenue Support Grant (RSG).** This is the main grant which the Government has available to allocate at its own discretion. Consequently, cuts to local authority funding are substantially delivered through reductions in RSG (and the methodology for doing this has disproportionately disadvantaged deprived authorities). The impact on the city has been dramatic (RSG is reducing from £133m in 2013/14, to an estimated £28m in 2019/20).
  - (b) **A top-up to local business rates.** The local authority sector keeps 50% of business rates collected, with the balance paid to the Government. In recognition of the fact that different authorities’ ability to raise rates does not correspond to needs, a top-up is paid to less affluent authorities (funded by authorities with greater numbers of higher-rated businesses). Our top-up was recalculated with effect from April 2017, to neutralise the effect of the business rates revaluation, and will increase each year with inflation;
  - (c) **New Homes Bonus (NHB).** This is a grant which roughly matches the council tax payable on new homes, and homes which have ceased to be

empty on a long term basis. Since 2017/18, NHB is less generous than it was, and further cuts are expected in 2018/19. These changes have been made to secure more resources for social care: in two tier areas, this transfers money from districts to counties; in our case, we are simply moving money from one pocket to another.

- 12.3 No figures have been made available for RSG after 2019/20. The budget assumes no further cuts in RSG in 2020/21. In effect, we are assuming that the period of austerity will come to an end as far as local government budgets are concerned. This is a significant risk, which is discussed further at paragraph 16 below.
- 12.4 The Government also controls **specific grants** which are given for specific rather than general purposes. These grants are not shown in the table at paragraph 4.1, as they are treated as income to departments (departmental budgets are consequently lower than they would have been).
- 12.5 Some specific grants are subject to change:-
- (a) The **Education Services Grant** has been cut as part of education funding reforms, as described at paragraphs 7 and 10 above;
  - (b) **Dedicated Schools Grant** (DSG), which funds schools' own spending and a range of education-related central services, is being reformed from 2018/19. This will lead to a reduction in the funding available for school improvement and SEN support services provided centrally.
  - (c) The **Better Care Fund** has increased nationally, and the city is expected to receive £15.5m by 2019/20. This is not entirely new money – some is being met from cuts to NHB, and from a reduction in the amount available for RSG. Unlike the original BCF, this new tranche is a direct grant to local government, although strings have been attached.
- 12.6 In 2016, the Institute for Fiscal Studies (IfS) calculated the disproportionate impact of funding cuts on deprived authorities<sup>2</sup>. Since 2009/10, the 10% of authorities most reliant on grant have seen budget cuts averaging 33% in real terms. The 10% of authorities least reliant on grant have seen cuts averaging 9%. This is a consequence of various changes in the funding regime which have had different impacts, and (to some extent) contravened the Government's stated intentions of protecting the most grant-dependent councils. The IfS states that "the overall impression is of rather confused, inconsistent and opaque policymaking."

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<sup>2</sup> *A time of revolution? British local government finance in the 2010s*, IfS, October 2016, p.20

### 13. Local Taxation Income

13.1 Local tax income consists of three elements:-

- (a) The retained proportion of business rates;
- (b) Council tax;
- (c) Surpluses or deficits arising from previous collection of council tax and business rates (collection fund surpluses/deficits).

#### Business Rates

13.2 Local government retains 50% of the rates collected locally, with the other 50% being paid to central government. In Leicester, 1% is paid to the fire authority, and 49% is retained by the Council. This is known as the “Business Rate Retention Scheme”.

13.3 The rates collected from Leicester businesses changed from 2017/18, when a revaluation of all properties nationally came into effect. There is a transitional scheme which is phasing in increases and decreases over time.

13.4 Our estimates of rates income take into account the amount of income we believe we will lose as a consequence of successful appeals. The majority of appeals against the 2017 revaluation have not yet been decided, and appeals have been a source of volatility since business rates retention was introduced. However, the Government has recently taken steps to reduce this volatility – it remains to be seen whether “check, challenge, appeal” will succeed in this aim, but it has been criticised by some in the business community for making the process more difficult.

13.5 The Government’s previous plans to introduce 100% business rates retention “by 2020” have now been postponed, as the parliamentary Bill required did not pass through Parliament before the 2017 General Election, and has not been reintroduced in the current session. The timescale for 100% rates retention is now unclear, although it remains an aim for the future. A re-assessment of need is still planned from 2020, however.

13.6 In 2017/18, the Council is part of a “business rates pool” with other authorities in Leicestershire. Pools are beneficial if district councils’ rates grow, as the pool increases the amount of rates retained, and in 2016/17 the pool made a surplus of £5m. Surpluses are made available to the LEP to support economic regeneration in the sub-region.

13.7 A limited number of areas are piloting 100% rates retention in 2017/18, and the Government has asked for applications for further pilot areas for 2018/19. Leicester and Leicestershire has submitted a bid involving the City, County, districts and fire authority – if this is successful, it could lead to substantial (one off) financial benefits across the city and county. If the bid is unsuccessful we intend to retain the current rates pooling arrangements.

## Council Tax

- 13.8 Council tax income is estimated at £106.8m in 2018/19, based on a tax increase of just below 5%. For planning purposes, a tax increase of 2% has been assumed in each of 2019/20 and 2020/21.
- 13.9 Normally, the Council would be unable to increase tax by more than 2% without a referendum. However, additional flexibility (the “social care levy”) has been granted to social care authorities since 2016/17. This is designed to help social care authorities mitigate the growing costs of social care; the Government will expect us to demonstrate that the money is being used for this purpose.
- 13.10 Council tax income includes additional income raised from the Empty Homes Premium, which increases the charge by 50% for a property left empty for more than six months. The government has announced plans, as part of its housing strategy, to allow this premium to be doubled to 100% from April 2019. A decision on the level of premium to be charged will be required in due course; this report has been prepared on the basis that the premium remains at its current level.

## Collection Fund Surpluses/Deficits

- 13.11 Collection fund surpluses arise when more tax is collected than assumed in previous budgets. Deficits arise when the converse is true. At this stage, figures in the draft budget are estimates which will be revised in due course.
- 13.12 The Council has an estimated **council tax collection fund surplus** of £1.1m, after allowing for shares paid to the police and fire authorities. This has arisen because of growth in the number of homes liable to pay tax (which has been greater than was assumed when the budget was set) and a reduction in the costs of the council tax reduction scheme (linked to improvements in the local economy).
- 13.13 The Council is currently forecasting a break-even position on **business rates** in the collection fund (i.e. there will be no significant surplus or deficit in the current year). This remains an area of risk, particularly around the impact of appeals, which is difficult to forecast.

## **14. General Reserves and the Managed Reserves Strategy**

- 14.1 In the current climate, it is essential that the Council maintains reserves to deal with the unexpected. This might include continued spending pressures in demand led services, or further unexpected Government grant cuts.
- 14.2 The Council has agreed to maintain a minimum balance of £15m of reserves. The Council also has a number of earmarked reserves, which are further discussed in section 15 below.
- 14.3 In the 2013/14 budget strategy, the Council approved the adoption of a managed reserves strategy. This involved contributing money to reserves in 2013/14 to 2015/16, and drawing down reserves in later years. This policy has

bought time to more fully consider how to make the substantial cuts which are necessary. Since 2016/17, these reserves have been drawn down to balance the budget, although some remain to support 2018/19 and 2019/20.

14.4 The managed reserves strategy will be extended as far as we can: the rolling programme of spending reviews enables any in-year savings to extend the strategy. Additional money has been made available since the 2017/18 budget was set, and future reviews should enable further contributions to be made. However, the reserves available are forecast to be exhausted in 2019/20, and none will be available to cushion the 2020/21 budget.

14.5 The table below shows the forecast reserves available to support the managed reserves strategy:-

	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Brought forward	27.1	17.4	3.4
Additional savings in year	8.0		
Planned use	(17.7)	(14.0)	(3.4)
<b>Carried forward</b>	<b>17.4</b>	<b>3.4</b>	<b>NIL</b>

## 15. Earmarked Reserves

15.1 In addition to the general reserves, the Council also holds earmarked reserves which are set aside for specific purposes. A schedule is provided at Appendix Six.

15.2 Earmarked reserves are kept under review, and amounts which are no longer needed for their original purpose will be used to extend the managed reserves strategy. The next such review will take place at the end of 2017/18.

## 16. Risk Assessment and Adequacy of Estimates

16.1 Best practice requires me to identify any risks associated with the budget, and section 25 of the Local Government Act 2003 requires me to report on the adequacy of reserves and the robustness of estimates.

16.2 In the current climate, it is inevitable that the budget carries significant risk.

16.3 In my view, although very difficult, the budget for 2018/19 is achievable subject to the risks and issues described below.

16.4 There are risks in the 2018/19 budget arising from:-

- (a) Social care spending pressures - specifically the risks of further growth in the cost of care packages above budget assumptions, risks to our BCF income due to government expectations (particularly relating to delayed transfers of care) and inability to contain the costs of looked after children;

- (b) Ensuring spending reviews which have already been approved, but not yet implemented, deliver the required savings;
- (c) Managing the position of two departments (City Development & Neighbourhoods, and Children's Services) who need to do further work to live within their means in 2018/19;
- (d) Achievability of estimated rates income (although technically any shortfall will appear as a collection fund deficit in the 2019/20 budget), and particularly the extent of successful appeals against the 2017 revaluations.
- (e) Pay costs: the NJC pay offer made on 5<sup>th</sup> December significantly exceeds the 1% provided in the budget, for both 2018/19 and 2019/20. The government has not committed to providing any additional resources to local authorities in the financial settlement to meet this cost, which is therefore a significant risk.

16.5 In the longer term, the risks to the budget strategy arise from:-

- (a) Non-achievement, or delayed achievement, of the remaining spending review savings, and the additional £20m of savings that departments have been asked to find by 2019/20;
- (b) Loss of future resources. The funding landscape after 2019/20 is particularly unclear, with the delayed implementation of 100% business rates and the planned needs review (which could result in a gain or loss to the Council). The risk of further cuts to RSG in 2020/21 is significant - on current trajectories a further round of cuts would cut £10m in that year;
- (c) Longer-term reforms to social care funding and expectations on local authorities, and the need to manage ongoing demographic pressures. Crucially, we need to know what additional funding the Government will make available after 2019/20;
- (d) Continuing increases in pay costs, above the 1% per year allowed for in the budget. The LGA has made proposals for a revised pay spine from 2019/20, to make it compatible with the forecast increases to the National Living Wage and to retain pay differentials at the lower end of the pay scale. The proposals will see a significant cost increase in 2019/20 to authorities across the country (in addition to the 2018/19 pay award). Pay costs for 2020/21 also remain a risk, as upwards pressures on pay make it less likely that future pay increases will be limited to 1%.

16.6 Further risk is economic downturn, nationally or locally. This could result in new cuts to grant; falling business rate income; and increased cost of council tax reductions for taxpayers on low incomes. It could also lead to a growing need for council services and an increase in bad debts. The effect of Brexit remains to be seen.

16.7 The budget seeks to manage these risks as follows:-

- (a) A minimum balance of £15m reserves will be maintained;
- (b) A one-off corporate contingency of £2m is included in the budget for 2018/19 (this may be required to meet the costs of the pay award from April 2018);
- (c) A planning contingency is included in the budget from 2019/20 onwards (£3m per annum accumulating);
- (d) Savings from the Council's minimum revenue provision policy are being saved until they are required (see paragraph 19).

16.8 Subject to the above comments, I believe the Council's general and earmarked reserves to be adequate. I also believe estimates made in preparing the budget are robust. (Whilst no inflation is provided for the generality of running costs in 2018/19, some exceptions are made, and it is believed that services will be able to manage without an allocation).

## 17. **Consultation on the Draft Budget**

17.1 Comments on the draft budget will be sought from:-

- (a) The Council's scrutiny function;
- (b) Key partners and other representatives of communities of interest;
- (c) Business community representatives (a statutory consultee);
- (d) The Council's trade unions.

17.2 Comments will be incorporated into the final version of this report.

## 18. **Borrowing**

18.1 Local authority capital expenditure is self-regulated, based upon a code of practice (the "prudential code").

18.2 The Council complies with the code of practice, which requires us to demonstrate that any borrowing is affordable, sustainable and prudent. To comply with the code, the Council must approve a set of indicators at the same time as it agrees the budget. The substance of the code pre-dates the recent huge cutbacks in public spending, and the indicators are of limited value.

18.3 Since 2011/12, the Government has been supporting all new general fund capital schemes by grant. Consequently, any new borrowing has to be paid for ourselves and is therefore minimal.

18.4 Attached at Appendix Three are the prudential indicators which would result from the proposed budget. A limit on total borrowing, which the Council is required to set by law, is approved separately as part of the Council's treasury strategy.



18.5 The Council will continue to use borrowing for “spend to save” investment which generates savings to meet borrowing costs.

18.6 The Chartered Institute of Public Finance & Accountancy is currently consulting on changes to the code, which may require amendments to be made in the final version of this report.

## 19. **Minimum Revenue Provision**

19.1 By law, the Council is required to charge to its budget each year an amount for the repayment of debt. This is known as “minimum revenue provision” (MRP). The Council approved a new approach in November 2015: the proposed policy at Appendix Four is based on this new approach.

19.2 The proposed MRP policy results in revenue account savings when compared to the old approach, although these are paper rather than real savings – they result from a slower repayment of historic debt.

19.3 The proposed budget for 2018/19 would use the savings made in that year to set aside additional monies for debt repayment (voluntarily). This creates a “virtuous circle”, i.e. it increases the savings in later years when we will need them more.

19.4 The approach to savings in 2019/20 and later years will be considered when the budgets for those years are prepared. At present, the capital financing estimates assume that the previous policy continues to apply.

19.5 Members are asked to note that the extent of savings available from the policy change will tail off in the years after they are fully brought into account.

19.6 The government is currently consulting on changes to national requirements around MRP. The draft policy shown at Appendix Four will be reviewed once the outcome of this consultation is known.

## 20. **Financial Implications**

20.1 This report is exclusively concerned with financial issues.

20.2 Section 106 of the Local Government Finance Act 1992 makes it a criminal offence for any member with arrears of council tax which have been outstanding for two months or more to attend any meeting at which a decision affecting the budget is to be made unless the member concerned declares the arrears at the outset of the meeting and that as a result s/he will not be voting. The member can, however, still speak. The rules are more circumscribed for the City Mayor and Executive. Any executive member who has arrears outstanding for 2 months or more cannot take part at all.

21. **Legal Implications (Kamal Adatia/Emma Horton)**

- 21.1 The budget preparations have been in accordance with the Council's Budget and Policy Framework Procedure Rules – Council's Constitution – Part 4C. The decision with regard to the setting of the Council's budget is a function under the constitution which is the responsibility of the full Council.
- 21.2 At the budget-setting stage, Council is estimating, not determining, what will happen as a means to the end of setting the budget and therefore the council tax. Setting a budget is not the same as deciding what expenditure will be incurred. The Local Government Finance Act, 1992, requires an authority, through the full Council, to calculate the aggregate of various estimated amounts, in order to find the shortfall to which its council tax base has to be applied. The Council can allocate more or less funds than are requested by the Mayor in his proposed budget.
- 21.3 As well as detailing the recommended council tax increase for 2018/19, the report also complies with the following statutory requirements:-
- (a) Robustness of the estimates made for the purposes of the calculations;
  - (b) Adequacy of reserves;
  - (c) The requirement to set a balanced budget.
- 21.4 Section 65 of the Local Government Finance Act, 1992, places upon local authorities a duty to consult representatives of non-domestic ratepayers before setting a budget. There are no specific statutory requirements to consult residents, although in the preparation of this budget the Council is undertaking tailored consultation exercises with wider stakeholders.
- 21.5 As set out at paragraph 11, the discharge of the 'function' of setting a budget triggers the duty in s.149 of the Equality Act, 2010, for the Council to have "due regard" to its public sector equality duties. These are set out in paragraph 11. There are considered to be no specific proposals within this year's budget that could result in new changes of provision that could affect different groups of people sharing protected characteristics. As a consequence, there are no service-specific 'impact assessments' that accompany the budget. There is no requirement in law to undertake equality impact assessments as the only means to discharge the s.149 duty to have "due regard". The discharge of the duty is not achieved by pointing to one document looking at a snapshot in time, and the report evidences that the Council treats the duty as a live and enduring one. Indeed case law is clear that undertaking an EIA on an 'envelope-setting' budget is of limited value, and that it is at the point in time when policies are developed which reconfigure services to live within the budgetary constraint when impact is best assessed. However, an analysis of equality impacts has been prepared in respect of the proposed increase in council tax, and this is set out in Appendix Five.
- 21.6 Judicial review is the mechanism by which the lawfulness of Council budget-setting exercises are most likely to be challenged. There is no sensible way to provide an assurance that a process of budget setting has been undertaken in

a manner which is immune from challenge. Nevertheless the approach taken with regard to due process and equality impacts is regarded by the City Barrister to be robust in law.

22. **Other Implications**

<b>Other Implications</b>	<b>Yes/ No</b>	<b>Paragraph References within the report</b>
Equal Opportunities	Y	Paragraph 11
Policy	Y	The budget sets financial envelopes within which Council policy is delivered
Sustainable and Environmental	N	The budget is a set of financial envelopes within which service policy decisions are taken. The proposed 2018/19 budget reflects existing service policy.
Crime & Disorder	N	
Human Rights Act	N	
Elderly People/People on Low Income	N	

Background information relevant to this report is already in the public domain.

23. **Report Authors**

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7<sup>th</sup> December 2017

## Budget Ceilings

	Current budget	Spending Review savings	Inflation	Technical & other changes	18/19 budget ceiling
	£'000s	£'000s	£'000s	£'000s	£'000s
<b>1. City Development &amp; Neighbourhoods</b>					
<b>1.1 Neighbourhood &amp; Environmental Services</b>					
Divisional Management	205.0		1.4		206.4
Regulatory Services	4,486.5	(259.0)	55.3		4,282.8
Waste Management	15,524.0		818.7		16,342.7
Parks & Open Spaces	3,411.9	(293.0)	102.1		3,221.0
Neighbourhood Services	6,031.6	(275.1)	41.6		5,798.1
Standards & Development	614.7	(79.0)	15.6		551.3
<b>Divisional sub-total</b>	<b>30,273.7</b>	<b>(906.1)</b>	<b>1,034.7</b>	<b>0.0</b>	<b>30,402.3</b>
<b>1.2 Tourism, Culture &amp; Inward Investment</b>					
Arts & Museums	4,812.1	(60.0)	28.9		4,781.0
De Montfort Hall	946.5		21.9		968.4
City Centre	97.0		1.8		98.8
Place Marketing Organisation	390.3		2.0		392.3
Economic Development	471.9		12.5		484.4
Markets	(745.8)		6.6		(739.2)
Divisional Management	12.4	(238.9)	1.8		(224.7)
<b>Divisional sub-total</b>	<b>5,984.4</b>	<b>(298.9)</b>	<b>75.5</b>	<b>0.0</b>	<b>5,761.0</b>
<b>1.3 Planning, Development &amp; Transportation</b>					
Transport Strategy	9,456.2	(120.0)	32.7		9,368.9
Highways	5,744.2	(121.0)	39.4		5,662.6
Planning	990.5		24.1		1,014.6
Divisional Management	196.3		2.0		198.3
<b>Divisional sub-total</b>	<b>16,387.2</b>	<b>(241.0)</b>	<b>98.2</b>	<b>0.0</b>	<b>16,244.4</b>
<b>1.4 Estates &amp; Building Services</b>	<b>6,891.9</b>	<b>(1,550.0)</b>	<b>114.3</b>	<b>0.0</b>	<b>5,456.2</b>
<b>1.5 Housing Services</b>					
Housing Services	3,844.9	(250.0)	60.1		3,655.0
Fleet Management	5.1		8.7		13.8
<b>Divisional sub-total</b>	<b>3,850.0</b>	<b>(250.0)</b>	<b>68.8</b>	<b>0.0</b>	<b>3,668.8</b>
<b>1.6 Departmental Overheads</b>	<b>621.3</b>	<b>0.0</b>	<b>1.7</b>	<b>0.0</b>	<b>623.0</b>
<b>DEPARTMENTAL TOTAL</b>	<b>64,008.5</b>	<b>(3,246.0)</b>	<b>1,393.2</b>	<b>0.0</b>	<b>62,155.7</b>

**Budget Ceilings**

	Current budget	Spending Review savings	Inflation	Technical & other changes	18/19 budget ceiling
	£'000s	£'000s	£'000s	£'000s	£'000s
<b>2.Adults</b>					
<b>2.1 Adult Social Care &amp; Safeguarding</b>					
Other Management & support	1,524.5		24.0		1,548.5
Safeguarding	417.3		5.6		422.9
Preventative Services	7,491.4		54.0		7,545.4
Independent Sector Care Package Cos	81,101.8		1,684.7	(459.0)	82,327.5
Care Management (Localities)	7,367.4		71.5		7,438.9
<b>Divisional sub-total</b>	<b>97,902.4</b>	<b>0.0</b>	<b>1,839.8</b>	<b>(459.0)</b>	<b>99,283.2</b>
<b>2.2 Adult Social Care &amp; Commissioning</b>					
Enablement & Day Care	4,433.3		48.7		4,482.0
Care Management (LD & AMH)	5,235.9		49.9		5,285.8
Preventative Services	3,749.2		3.9		3,753.1
Contracts, Commissioning & Other Sup	2,716.4		33.1		2,749.5
Substance Misuse	5,559.7				5,559.7
Departmental	(16,116.4)	(200.0)	8.6		(16,307.8)
<b>Divisional sub-total</b>	<b>5,578.1</b>	<b>(200.0)</b>	<b>144.2</b>	<b>0.0</b>	<b>5,522.3</b>
<b>2.3 Health and Wellbeing</b>					
Sexual Health	4,145.6				4,145.6
NHS Health Checks	371.0				371.0
Children 0-19	9,517.5	(250.0)			9,267.5
Smoking & Tobacco	922.0				922.0
Physical Activity	1,158.0				1,158.0
Health Protection	55.0				55.0
Public Mental Health	234.0				234.0
Public Health Advice & Intelligence	48.5				48.5
Staffing & Infrastructure	1,525.4	(25.0)			1,500.4
Sports Services	3,282.3	(120.0)	82.9		3,245.2
<b>Divisional sub-total</b>	<b>21,259.3</b>	<b>(395.0)</b>	<b>82.9</b>	<b>0.0</b>	<b>20,947.2</b>
<b>DEPARTMENTAL TOTAL</b>	<b>124,739.8</b>	<b>(595.0)</b>	<b>2,066.9</b>	<b>(459.0)</b>	<b>125,752.7</b>

**Budget Ceilings**

	Current budget £'000s	Spending Review savings £'000s	Inflation £'000s	Technical & other changes £'000s	18/19 budget ceiling £'000s
<b>3. Education &amp; Children's Services</b>					
<b>3.1 Strategic Commissioning &amp; Business Support</b>					
Divisional Budgets	659.4		8.7		668.1
Operational Transport	(111.6)				(111.6)
<b>Divisional sub-total</b>	<b>547.8</b>	<b>0.0</b>	<b>8.7</b>	<b>0.0</b>	<b>556.5</b>
<b>3.2 Learning Quality &amp; Performance</b>					
Raising Achievement	1,466.8		15.5		1,482.3
Adult Skills	(870.4)				(870.4)
School Organisation & Admissions	814.9		7.3		822.2
Special Education Needs and Disability	6,941.9		29.5		6,971.4
<b>Divisional sub-total</b>	<b>8,353.2</b>	<b>0.0</b>	<b>52.3</b>	<b>0.0</b>	<b>8,405.5</b>
<b>3.3 Children, Young People and Families</b>					
Children In Need	9,520.5		65.6	(400.0)	9,186.1
Looked After Children	33,354.0		266.3	(1,950.0)	31,670.3
Safeguarding & QA	2,235.2		22.8		2,258.0
Early Help Targeted Services	7,666.4	(3,223.0)	83.4		4,526.8
Early Help Specialist Services	4,802.7		58.9	750.0	5,611.6
<b>Divisional sub-total</b>	<b>57,578.8</b>	<b>(3,223.0)</b>	<b>497.0</b>	<b>(1,600.0)</b>	<b>53,252.8</b>
<b>3.4 Departmental Resources</b>					
Departmental Resources	1,662.0	(370.0)	5.3		1,297.3
Education Services Grant	(4,468.1)				(4,468.1)
<b>Divisional sub-total</b>	<b>(2,806.1)</b>	<b>(370.0)</b>	<b>5.3</b>	<b>0.0</b>	<b>(3,170.8)</b>
<b>DEPARTMENTAL TOTAL</b>	<b>63,673.7</b>	<b>(3,593.0)</b>	<b>563.3</b>	<b>(1,600.0)</b>	<b>59,044.0</b>
<b>4. Corporate Resources Department</b>					
<b>4.1 Delivery, Communications &amp; Political G</b>					
	5,377.9	(63.0)	41.5	0.0	5,356.4
<b>4.2 Financial Services</b>					
Financial Support	5,959.8		72.3		6,032.1
Revenues & Benefits	5,715.1	(60.0)	84.4		5,739.5
<b>Divisional sub-total</b>	<b>11,674.9</b>	<b>(60.0)</b>	<b>156.7</b>	<b>0.0</b>	<b>11,771.6</b>
<b>4.3 Human Resources</b>					
	4,193.0	0.0	46.5	0.0	4,239.5
<b>4.4 Information Services</b>					
	9,120.2	0.0	52.1	0.0	9,172.3
<b>4.5 Legal Services</b>					
	2,045.2	0.0	38.8	0.0	2,084.0
<b>DEPARTMENTAL TOTAL</b>	<b>32,411.2</b>	<b>(123.0)</b>	<b>335.6</b>	<b>0.0</b>	<b>32,623.8</b>
<b>TOTAL -Service Budget Ceilings</b>	<b>284,833.2</b>	<b>(7,557.0)</b>	<b>4,359.0</b>	<b>(2,059.0)</b>	<b>279,576.2</b>
<i>less public health grant</i>	(27,519.0)			715.0	(26,804.0)
<b>NET TOTAL</b>	<b>257,314.2</b>	<b>(7,557.0)</b>	<b>4,359.0</b>	<b>(1,344.0)</b>	<b>252,772.2</b>

**Scheme of Virement**

1. This appendix explains the scheme of virement which will apply to the budget, if it is approved by the Council.

**Budget Ceilings**

2. Strategic directors are authorised to vire sums within budget ceilings without limit, providing such virement does not give rise to a change of Council policy.
3. Strategic directors are authorised to vire money between any two budget ceilings within their departmental budgets, provided such virement does not give rise to a change of Council policy. The maximum amount by which any budget ceiling can be increased or reduced during the course of a year is £500,000. This money can be vired on a one-off or permanent basis.
4. Strategic directors are responsible, in consultation with the appropriate Assistant Mayor if necessary, for determining whether a proposed virement would give rise to a change of Council policy.
5. Movement of money between budget ceilings is not virement to the extent that it reflects changes in management responsibility for the delivery of services.
6. The City Mayor is authorised to increase or reduce any budget ceiling. The maximum amount by which any budget ceiling can be increased during the course of a year is £5m. Increases or reductions can be carried out on a one-off or permanent basis.
7. The Director of Finance may vire money between budget ceilings where such movements represent changes in accounting policy, or other changes which do not affect the amounts available for service provision.
8. Nothing above requires the City Mayor or any director to spend up to the budget ceiling for any service.

**Corporate Budgets**

9. The following authorities are granted in respect of corporate budgets:
  - (a) the Director of Finance may incur costs for which there is provision in miscellaneous corporate budgets, except that any policy decision requires the approval of the City Mayor;
  - (b) the City Mayor may determine the use of the corporate contingency;
  - (c) the City Mayor may determine the use of the provision for Education Funding reform.

### Earmarked Reserves

10. Earmarked reserves may be created or dissolved by the City Mayor. In creating a reserve, the purpose of the reserve must be clear.
11. Strategic directors may add sums to an earmarked reserve, from:
  - (a) a budget ceiling, if the purposes of the reserve are within the scope of the service budget;
  - (b) a carry forward reserve, subject to the usual requirement for a business case.
12. Strategic directors may spend earmarked reserves on the purpose for which they have been created.
13. When an earmarked reserve is dissolved, the City Mayor shall determine the use of any remaining balance.

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## Recommended Prudential Indicators

### 1. Introduction

- 1.1 This appendix details the recommended prudential indicators for general fund borrowing and HRA borrowing.

### 2. Proposed Indicators of Affordability

- 2.1 The ratio of financing costs to net revenue budget:

	<b>2018/19 Estimate %</b>	<b>2019/20 Estimate %</b>	<b>2020/21 Estimate %</b>
General Fund	5.4	5.5	5.1
HRA	12.1	12.5	12.4

- 2.2 The estimated incremental impact on council tax and average weekly rents of capital investment decisions proposed in the general fund budget and HRA budget reports over and above capital investment decisions that have previously been taken by the Council are:

	<b>2018/19 Estimate £</b>	<b>2019/20 Estimate £</b>
Band D council tax	0.0	0.0
HRA rent	0.0	0.0

### 3. Indicators of Prudence

- 3.1 The forecast level of capital expenditure to be incurred for the years 2017/18 and 2018/19 (based upon the Council capital programme, and the proposed budget and estimates for 2018/19) are:

<b>Area of expenditure</b>	<b>2017/18 Estimate £000s</b>	<b>2018/19 Estimate £000s</b>
Children's services	37,288	44,932
Young People	118	1,050
Resources ICT	2,905	500
Transport	33,994	33,678
Cultural & Neighbourhood Services	3,812	6,787
Environmental Services	711	355
Economic Regeneration	25,040	26,516
Adult Care	5,230	10,998
Public Health	328	1,723
Property	4,143	4,100
Vehicles	2,929	-
Housing Strategy & Options	2,650	3,450
Corporate Loans	-	-
<b>Total General Fund</b>	<b>119,148</b>	<b>134,089</b>
Housing Revenue Account	19,057	15,626
<b>Total</b>	<b>138,205</b>	<b>149,715</b>

- 3.2 The capital financing requirement, measuring the authority's underlying need to borrow for a capital purpose, is shown below. This includes PFI recognised on the balance sheet.

	<b>2017/18 Estimate £m</b>	<b>2018/19 Estimate £m</b>	<b>2019/20 Estimate £m</b>	<b>2020/21 Estimate £m</b>
General Fund	350	333	316	298
HRA	215	215	215	215

#### 4. **Treasury Limits for 2018/2019**

- 4.1 The Treasury Strategy, which includes a number of prudential indicators required by CIPFA's prudential code for capital finance, will be presented to Council in January.

**Minimum Revenue Provision Policy**

**1. Introduction**

- 1.1 This policy sets out how the Council will calculate the minimum revenue provision chargeable to the General Fund in respect of previous years' capital expenditure, where such expenditure has been financed by borrowing.
- 1.2 At the time of writing (November 2017), the national requirements for MRP are under review. This policy will need to be reviewed once the outcome of this consultation is available.

**2. Basis of Charge**

- 2.1 Where borrowing pays for an asset, the debt repayment calculation will be based on the life of the asset.
- 2.2 Where borrowing funds a grant or investment, the debt repayment will be based upon the length of the Council's interest in the asset financed (which may be the asset life, or may be lower if the grantee's interest is subject to time limited restrictions).
- 2.3 Where borrowing funds a loan to a third party, the basis of charge will normally be the period of the loan (and will never exceed this). The charge would normally be based on an equal instalment of principal, but could be set on an annuity basis where the Director of Finance deems appropriate.

**3. Commencement of Charge**

- 3.1 Debt repayment will normally commence in the year following the year in which the expenditure was incurred. However, in the case of expenditure relating to the construction of an asset, the charge will commence in the year in which the asset becomes operational. Where expenditure will be recouped from future income or capital receipt, and the receipt of that income can be forecast with reasonable certainty, the charge may commence when the income streams or receipt arise.

**4. Asset Lives**

- 4.1 The following maximum asset lives are proposed:-
- Land – 50 years;
  - Buildings – 50 years;
  - Infrastructure – 40 years;
  - Plant and equipment – 20 years;
  - Vehicles – 10 years;
  - Loan premia – the higher of the residual period of loan repaid and the period of the replacement loan;

5. **Voluntary Set Aside**

- 5.1 Authority is given to the Director of Finance to set aside sums voluntarily for debt repayment, where she believes the standard depreciation charge to be insufficient, or in order to reduce the future debt burden to the authority. [This enables her to give effect to the budget strategy].

6. **Other**

- 6.1 In circumstances where the treasury strategy permits use of investment balances to support investment projects which achieve a return, the Director of Finance may adopt a different approach to reflect the financing costs of such schemes. A different approach may also be adopted for other projects which aim to achieve a return.

DRAFT

**Equality Impact Assessment**

**1. Purpose of the increase**

- 1.1 The purpose of this appendix is to present the equalities impact of the proposed 4.99% council tax increase.
- 1.2 There are two elements to the proposed tax increase:
  - (a) A 3% increase to address Adult Social Care funding needs outlined in the budget strategy;
  - (b) A 1.99% increase in council tax to enable the council to maintain its budgeted policy commitments.

**2. Who is affected by the proposal?**

- 2.1 Since April 2013, as a consequence of the Government's welfare reforms, all working age households in Leicester have been required to contribute towards their council tax bill. Our current council tax reduction scheme (CTRS) requires working age households to pay at least 20% of their council tax bill, and sets out to ensure that the most vulnerable householders are given some relief in response to financial hardship they may experience.
- 2.2 NOMIS<sup>3</sup> figures for the city's working age population (June 2017) indicated that there are 161,000 economically active residents in the city, of whom 5.2% are unemployed. As of November 2016, there were 30,060 working age benefit claimants (12.9% of the city's working age population of 233,000) It should be noted that this does not include tax credit claimants (unless they are also in receipt of another benefit). The working age population is inclusive of all protected characteristics.

**3. How are they affected?**

- 3.1 The chart below sets out the financial impact of the proposed council tax increase on different properties, before any discounts or reliefs are applied. It shows the weekly increase in each band, and the minimum weekly increase for those in receipt of a reduction under the CTRS.
- 3.2 For band B properties (almost 80% of the city's properties are in bands A or B), the proposed annual increase in council tax is £55.28; the minimum annual increase for households eligible under the CTRS would be £11.06.

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<sup>3</sup> NOMIS is an Office for National Statistics web based service that provides free UK labour market statistics from official sources.

Band	No. of Households	Weekly Increase	Maximum Relief (80%)	Minimum Weekly Increase
A	75,549	£0.91	£0.73	£0.18
B	24,830	£1.06	£0.85	£0.21
C	14,440	£1.21	£0.85	£0.36
D	6,051	£1.36	£0.85	£0.52
E	3,185	£1.67	£0.85	£0.82
F	1,464	£1.97	£0.85	£1.12
G	583	£2.27	£0.85	£1.42
H	58	£2.73	£0.85	£1.88
<b>Total</b>	<b>126,160</b>			

#### 4. Risks over the coming year:

- 4.1 Recently, disposable income has fallen in real terms. This has multiple causes: slow wage growth (only partly offset by rising employment rates), welfare changes and inflation.
- 4.2 One of the main risks to household income in the previous year (2017/18) was increases in inflation. Inflation has increased, as predicted. The National Institute of Economic and Social Research (NIESR) have projected consumer price inflation to peak at 3.4 per cent in the final quarter of 2017, before gradually returning back towards the Bank of England's 2 per cent target. The Bank now expects inflation will hit 2.4% in 2018 and 2019. Therefore, the impact of rising inflation is less of a risk over the coming year. Having said this, it must be considered that until such a point that inflation returns towards the Bank of England's 2% target, households will continue to be squeezed and are likely to have less discretionary income than they would enjoy in the event that inflation were to fall.
- 4.3 Incomes of households reliant on social security benefits continue to be squeezed with the Government's continued implementation of the welfare reform programme. **Of particular relevance is the roll out of Universal Credit in Leicester (in summer 2018).** The chart below<sup>4</sup> 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 p.a.
Couple – two or more dependent children	£1,450 p.a.
Lone parent – one dependent child	£1,400 p.a.
Lone parent – two or more dependent children	£1,750 p.a.
Single person working age household	£250 p.a.

<sup>4</sup> 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).

- 4.4 The Joseph Rowntree Foundation's annual "Minimum Income Standard" (MIS) for 2017, highlighted that millions of just managing families are on the tipping point of falling into poverty as prices rise in the shops (the price of a minimum "basket of goods" has risen 27-30% since 2008), with forecasts showing the cost of living could be 10 per cent higher by 2020. The Foundation is warning there is a fine margin where just managing can quickly tip into living in poverty, such is the precarious state of many household budgets.
- 4.5 Between 2008/9 – 2014/5, based on the latest available data from official statistics:
- The number of individuals below MIS **rose by four million**, from 15 million to 19 million (from 25 to 30 per cent of the population);
  - There are **11 million people living far short of MIS**, up from 9.1 million, who have incomes below 75% of the standard and are at high risk of being in poverty;
  - The remaining **eight million fall short of the minimum**, by a smaller amount, and despite having a more modest risk of poverty, are **just about managing at best**.
- 4.6 Almost three million working age households, six in 10 below MIS, have at least one person in work. Families with children continue to have the highest risk of having incomes that fall short of the standard, with working parents facing worsening prospects:
- For lone parents, even those working full time have a 42% risk of being below MIS, up from 28% in 2008/09. 151,000 out of 356,000 people in households headed by lone parents working full time are below the minimum.
  - 56% of people in single-breadwinner couples with children live below – a substantial increase of more than a third over the six-year period. This affects 500,000 out of 880,000 people in such families.
  - For couples with children where one adult works full time and the other is in part-time or self-employment, the risk of inadequate income has increased by a half, reaching 18%. This is 310,000 out of 1.7 million people in such families.
- 4.7 There are some offsetting current trends:
- There has been a continuing decrease in the percentage of the working age population unemployed in Leicester (NOMIS): June 2017, 5.2% (down from June 2016, 6.6%, June 2015, 7.7%; June 2014, 11.8%; and June 2013, 13.9%).
  - The National Institute of Economic and Social Research (NIESR) have projected consumer price inflation to peak at 3.4 per cent in the final quarter of 2017, before gradually returning back towards the Bank of England's 2 per cent target. The Bank now expects inflation will hit 2.4% in 2018 and 2019.

## **5. Overall impact:**

- 5.1 Any increased costs will be a problem for some households with limited incomes, as they will be squeezed by the next round of welfare reforms alongside inflationary increases of many basic household items such as food and fuel.
- 5.2 The weekly increase in council tax, however, is small for many of these households, as can be seen from the table above.

## **6. Mitigating actions:**

- 6.1 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. These include: funding through 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).
- 6.2 Having said this, although it will continue to be in place as a mitigating action, there has been significant pressure on the Discretionary Housing Payment fund which has resulted in the need to review the policy for 2018.
- 6.3 Social welfare advice is currently in the process of being re-procured and will continue to be used as a mitigating action. Advice will continue to be provided in relation to welfare benefits, debt, housing, employment, community care, family issues and immigration. A full assessment of the impact of the proposals has been undertaken. The proposals are being considered by the NSCI Scrutiny Commission on 7/12/17 and a decision will be published shortly afterwards.

## **7. What protected characteristics are affected?**

- 7.1 The table below describes how each protected characteristic is likely to be affected by the proposed council tax increase. The chart sets out known trends, anticipated impacts and risks; along with mitigating actions available to reduce negative impacts.
- 7.2 Some protected characteristics are not (as far as we can tell) disproportionately affected (as will be seen from the table) because there is no evidence to suggest they are affected differently from the population at large. They may, of course, be disadvantaged if they also have other protected characteristics that are likely to be affected, as indicated in the following analysis of impact based on protected characteristic.



### 7.3 Analysis of impact based on protected characteristic

Protected characteristic	Impact of proposal:	Risk of negative impact:	Mitigating actions:
<p><b>Age</b></p>	<p>Older people are least affected by a potential increase in council tax. Older people (pension age &amp; older) have been relatively protected from the impacts of the recession &amp; welfare cuts, they receive protection from inflation in the uprating of state pensions. Low-income pensioners also have more generous (up to 100%) council tax relief. However, in the current financial climate, a lower council tax increase would require even greater cuts to services. While it is not possible to say where these cuts would fall exactly, there are potential negative impacts for this group as older people are the primary service users of Adult Social Care.</p> <p>Income inequality is likely to increase over the next few years. If real earnings grow as the Office for Budget Responsibility forecasts, high-income households will benefit more than lower-income ones. And if benefit cuts proceed as planned, they will act to significantly reduce the incomes of low-income working-age households.</p> <p>Working age people bear the impacts of welfare reform reductions – particularly those with children. Whilst an increasing proportion of working age residents are in work, national research indicates that those on low wages are failing to get the anticipated uplift of the National Living Wage.</p> <p>A recent report by the Institute for Fiscal Studies on Living Standards, Poverty and Inequality in the UK 2017, shows that trends in living standards for different age groups have been very different. By 2015–16, median income for those aged 60 and over was 10% higher than it was in 2007–08, but for adults aged 22–30 it was still 4% lower. These differences are primarily due to the negative labour market impacts of the recession, which were far more pronounced among younger people.</p> <p>The Joseph Rowntree Foundation’s Minimum Income standard (MIS) shows that families with children continue to have the highest risk of having incomes that fall short of the standard, with working parents facing worsening prospects, as discussed at paragraph 4.6 above.</p> <p>The tax increase could have an impact on such household incomes.</p>	<p>Working age households and families with children – incomes squeezed through low wages and reducing levels of benefit income.</p>	<p>Access to council discretionary funds for individual financial crises; access to council and partner support for food; and advice on better managing household budgets.</p>

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Protected characteristic	Impact of proposal:	Risk of negative impact:	Mitigating actions:
<b>Disability</b>	Disability benefits have been reduced over time as thresholds for support have increased. The tax increase could have an impact on such household incomes.	Further erode quality of life being experienced by disabled people as their household incomes are squeezed further as a result of reduced benefits and impact of increased inflation.	Disability benefits are disregarded in the assessment of need for CTRS purposes. Access to council discretionary funds for individual financial crises; access to council and partner support for food; and advice on better managing budgets.
<b>Gender Reassignment</b>	No disproportionate impact is attributable specifically to this characteristic.		
<b>Marriage &amp; Civil Partnership</b>	Couples receive benefits if in need, irrespective of their legal marriage or civil partnership status. No disproportionate impact is attributable specifically to this characteristic.		
<b>Pregnancy and Maternity</b>	Maternity benefits will not be frozen and therefore kept in line with inflation. However, other social security benefits will be frozen, but without disproportionate impact arising for this specific protected characteristic.		
<b>Race</b>	<p>Those with white backgrounds are disproportionately on low incomes (indices of multiple deprivation) and in receipt of social security benefits. Some BME people are also low income and on benefits. The tax increase could have an impact on such household incomes.</p> <p>Nationally, one-earner couples have seen particular falls in real income and are disproportionately of Asian background – which suggests an increasing impact on this group.</p>	Household income being further squeezed through low wages and reducing levels of benefit income, along with anticipated inflation.	Access to council discretionary funds for individual financial crises, access to council and partner support for food and advice on better managing household budgets.
<b>Religion or Belief</b>	No disproportionate impact is attributable specifically to this characteristic.		

Protected characteristic	Impact of proposal:	Risk of negative impact:	Mitigating actions:
<p><b>Sex</b></p> <p>71</p>	<p>Disproportionate impact on women who tend to manage household budgets and are responsible for childcare costs. Women are disproportionately lone parents.</p> <p>The Joseph Rowntree Foundation's Minimum Income standard (MIS) shows that Families with children continue to have the highest risk of having incomes that fall short of the standard, with working parents facing worsening prospects:</p> <p>For lone parents, even those working full time have a 42% risk of being below MIS, up from 28% in 2008/09. 151,000 out of 356,000 people in households headed by lone parents working full time are below the minimum.</p>	<p>Incomes squeezed through low wages and reducing levels of benefit income, along with anticipated inflation. Increased risk for women as they are more likely to be lone parents.</p>	<p>If in receipt of Universal Credit or tax credits, a significant proportion of childcare costs are met by these sources.</p> <p>Access to council discretionary funds for individual financial crises, access to council and partner support for food and advice on better managing household budgets.</p>
<p><b>Sexual Orientation</b></p>	<p>No disproportionate impact is attributable specifically to this characteristic.</p>		

**Earmarked Reserves**

1. Earmarked reserves as at September 2017 were as follows:

	<b><u>Current balance</u></b> <b><u>£k</u></b>
<b><u>Departmental Reserves</u></b>	
Adult Social Care	312
Voluntary Sector Prospective Work	1,500
Children's Services	956
City Development & Neighbourhoods	1,092
Housing (non HRA)	1,179
Public Health	662
Channel Shift	1,648
ICT Development	2,959
PC Replacement Fund	1,297
Surplus Property Disposal	912
Election Fund	1,020
Financial Services	3,347
Other Corporate Resources Department	3,814
	<hr/>
<b>Subtotal – departmental</b>	<b>20,698</b>
	<hr/>
<b><u>Corporate Reserves</u></b>	
Managed Reserves Strategy	27,496
BSF Financing	10,511
Capital Programme Reserve	37,498
Severance Fund	11,032
Insurance Fund	6,664
Service Transformation	7,302
Welfare Reform	4,004
Other corporate reserves	2,153
	<hr/>
<b>Subtotal – corporate</b>	<b>106,660</b>
	<hr/>
<b><u>TOTAL UNRINGFENCED</u></b>	<b>127,358</b>
	<hr/>
<b><u>Ringfenced Reserves</u></b>	
NHS Joint Working Projects	1,769
Public Health Transformation	1,668
School Capital Fund	2,917
Schools Buyback	771
Dedicated Schools Grant not delegated to schools	14,205
School & PRU balances	14,683
	<hr/>
<b><u>TOTAL RINGFENCED</u></b>	<b>36,013</b>
	<hr/>
<b><u>Total earmarked reserves</u></b>	<b>163,371</b>
	<hr/> <hr/>

2. Earmarked reserves can be broadly divided into ring-fenced reserves, which are funds held by the Council but for which we have obligations to other partners or organisations; departmental reserves, which are held for specific services; and corporate reserves, which are held for purposes applicable to the organisation as a whole.
3. Ring-fenced reserves include:-
  - **NHS joint working projects:** The Government has provided funding for joint working between adult social care and the NHS;
  - **Public Health Transformation:** Ringfenced Public Health Grant money and will be used for future service changes;
  - Amounts originating from **Dedicated Schools Grant** which are, by, law, ring-fenced to schools or relevant non-delegated functions. These balances will be used to fund growth in pupil numbers and cost pressures in the high needs block which will arise as a consequence of growth in numbers and national funding reform.
4. Departmental reserves include amounts held by service departments to fund specific projects or identified service pressures. Significant amounts include:-
  - **Adult Social Care and Children's Services:** To meet budget pressures and prevent overspending;
  - **City Development and Neighbourhoods:** It is anticipated that the reserve will be drawn upon to support 2017/18 cost and income pressures, as noted in budget monitoring reports. The remaining balance will provide resilience in 2018/19 should the department face in-year budget pressures as spending reviews take effect; to enable any new, one-off priority activities to be funded; and to meet known additional pressures such as a shortfall in bereavement income and reduced income at Leicester Market as the redevelopment continues.
  - **Housing:** held to ensure that any short term increases in the demand for General Fund housing services can be managed without affecting the in-year budget; to secure increased availability of private rented sector accommodation where required; to support joined-up working with complex clients; and to fund planned service improvements.
  - **Voluntary Sector Prospective Work:** To provide a grant pot which can be used by the voluntary sector for preventative non statutory support in the community of £250k per annum, initially for a three year period;
  - **Channel Shift:** To fund work across the Council to both improve the customer experience and make savings through increasing the proportion of interactions with residents that use web-based and self-service systems, or streamlined customer services operations;
  - **ICT Development:** The ongoing upgrade and modernisation of the Council's IT infrastructure (such as the Windows 10 rollout programme);
  - **PC Replacement Fund:** To fund a rolling replacement programme for desktop PCs and portable devices as we continue to promote flexible and mobile working;
  - **Election Fund:** To meet costs arising from future elections, smoothing out the cost between years;

- **Financial Services:** For expenditure on replacing the Council's main finance system, the Service Analysis Team and Welfare & Benefits as government housing benefit administration grants reduce and universal credit is rolled out.

5. Corporate reserves include:-

- **Managed Reserves Strategy** – a key element to delivering this budget strategy, as set out in para. 14 of this report;
- **BSF Financing:** to manage costs over the remaining life of the BSF scheme and lifecycle maintenance costs of the redeveloped schools;
- **Capital Fund:** to support approved spending on the Council's capital programme. This is fully committed to meet the costs of the capital programme;
- **Severance Fund:** to facilitate ongoing savings by meeting the redundancy and other costs arising from budget cuts;
- **Insurance Fund:** To meet the cost of claims which are self-insured;
- **Service Transformation Fund:** to fund projects which redesign services enabling them to function effectively at reduced cost
- **Welfare Reform:** set aside to support welfare claimants who face crisis, following the withdrawal of government funding for this purpose.

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**Comments from Partners**

*[To be added once consultation is complete]*

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**Spending Review Programme**

	<b>Review</b>	<b>Summary</b>	<b>Savings Reported (£m)</b>	<b>Outstanding Savings (£m)</b>	<b>Outstanding Savings – sum reflected in Spending Review 4 (£m)</b>
1.	Corporate Resources	Implementation complete.	3.9	Nil	
2.	Transforming Neighbourhood Services	Reviewing community use buildings on an area by area basis (libraries, community centres, adult skills, customer service centres). Review work mostly complete.	1.1	0.4	0.4
3.	Voluntary and Community Services	Implementation complete.	0.1	Nil	
4.	HRA Charging	Complete (decisions taken).	4.0	Nil	
5.	Sports and Leisure	Review of Council's direct sports provision and sports development. Public consultation recently concluded.		2.0	1.2
6.	Parks and Open Spaces	Review work complete.	1.5	Nil	
7.	Park and Ride	Service expected to become self-financing. Review work complete; fare rises implemented.	0.2	Nil	
8.	External Communications	Implementation complete.	0.1	Nil	
9.	Substance Misuse	Complete.	1.0	Nil	
10.	Welfare Advice	Decision taken.	0.2	Nil	
11.	Investment Property.	Review of property assets held for investment income.	0.5	0.1	Nil
12.	IT	Review work complete.	2.4	Nil	
13.	Homelessness Services	Review of services to prevent homelessness. Review work complete.	1.5	Nil	
14.	Technical Services	Covers facilities management, operational property services, traffic and transport, repairs and maintenance of all buildings (including housing), fleet management, stores, energy, environment team. In implementation.	10.1	Nil	
16.	Children's Services	All services provided by Education and Children's Services, other than schools and social care. Early Help and Youth Services review work complete.	4.4	0.6	0.6
17.	Regulatory Services	Protective services including neighbourhood protection, business regulation, pest control, licensing and community safety. Phase one complete; further savings unlikely.	0.4	0.6	Nil
18.	Cleansing and Waste	City and neighbourhood cleansing, litter disposal, waste collection and disposal (including PFI arrangements). Phase one review complete and to be evaluated in December.	0.7	1.8	1.0



	<b>Review</b>	<b>Summary</b>	<b>Savings Reported (£m)</b>	<b>Outstanding Savings (£m)</b>	<b>Outstanding Savings – sum reflected in Spending Review 4 (£m)</b>
19.	City Centre	Services provided by City Centre Division, including tourism. Complete.	0.1	Nil	
20.	Using Buildings Better	Extends scope of Transforming Neighbourhoods to review other neighbourhood buildings (depots and local non-customer facing offices). Revenue savings will arise from channel shift and staff accommodation.	0.4	1.6	0.8
21.	Tourism, Culture & Inward Investment	Covers arts organisations, museums, support to festivals and other divisional services. Phase one complete.	1.1	0.4	Nil
22.	Car Parking and Highways Maintenance	Complete.	0.8	Nil	
23.	Parks standards and development	Efficiency savings.	0.2	NIL	
24.	Community Capacity Building	Revisit current arrangements with Voluntary Action Leicester & other projects - complete apart from element dependent on Social Welfare Advice review	0.1	0.1	0.1
25.	Civic & Democratic Services	Democratic and civic functions. Implementation complete.	0.2	Nil	
26.	Departmental Administration	Review of departmental administrative services. Savings being delivered departmentally.	1.3	Nil	
27.	Adult Learning	Aim to increase the £0.8m currently contributed to Council support. Service realignment being considered, savings unlikely.		0.4	Nil
28.	Advice Services (Social Welfare)	Review of internal and external advice services provided by internal Welfare Rights, STAR service and external organisations; aims to eliminate duplicate provision. Being considered by NCSI Scrutiny Committee in Dec 17 (public consultation recently undertaken).		0.5	0.3
29.	Sexual Health Services	On demand sexual health and contraception services at St. Peter's Health Centre. Public consultation recently concluded.	0.2	0.6	0.6
30.	Lifestyle Services	Services which support improved diet and physical activity, and cessation of smoking. A single, integrated service is under development.	0.3	1.1	1.1
31.	CDN	Management savings	0.3	Nil	
	<b>Subtotal</b>		<b>37.0</b>	<b>10.2</b>	<b>5.9</b>

Additional savings target ("SR4")

19.8

**Total savings sought by 2019/20**

**25.7**



**Neighbourhood Service and Community Involvement Scrutiny Commission**

**Work Programme 2017-18**

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Meeting date	Meeting items	Actions Arising	Progress
<b>12<sup>th</sup> July 2017</b>	<ol style="list-style-type: none"> <li>1. Portfolio Overview</li> <li>2. Leicester City Council Service Plan for Food Law Regulation 2017/2018</li> <li>3. Spending reviews</li> <li>4. Work programme</li> </ol>		
<b>6<sup>th</sup> September 2017</b>	<ol style="list-style-type: none"> <li>1. TNS East &amp; Central</li> <li>2. Social Welfare Advice consultation</li> <li>3. Response to written questions presented to July meeting</li> <li>4. Spending reviews</li> <li>5. Work programme</li> </ol>		
<b>25<sup>th</sup> October 2017</b>	<ol style="list-style-type: none"> <li>1. Channel Shift Update</li> <li>2. Community language service</li> <li>3. Work programme</li> </ol>		
<b>7<sup>th</sup> December 2017</b>	<ol style="list-style-type: none"> <li>1. Social Welfare re-procurement</li> <li>2. Safer Leicester Partnership</li> <li>3. Domestic violence campaign</li> <li>4. Govt. review of FOBT stake limits</li> <li>5. Work programme</li> </ol>		
<b>24<sup>th</sup> January 2018</b>	<ol style="list-style-type: none"> <li>1. Language and IT skills support</li> <li>2. Council budget</li> <li>3. Work programme</li> </ol>		
<b>28<sup>nd</sup> March 2018</b>	<ol style="list-style-type: none"> <li>1. Community Involvement</li> <li>2. Gambling impact task group report update on recommendations</li> <li>3. Update on spending reviews</li> <li>4. Channel shift</li> </ol>		

Appendix D

**12<sup>th</sup> January 2018**

## Neighbourhood Service and Community Involvement Scrutiny Commission

### Work Programme 2017-18

FORWARD PLAN / SUGGESTED ITEMS		
Topic	Detail	Proposed Date
Apps and digital offer	Love Leicester app and digital inclusion	
CAB		
Children Services (TNS)	Children services (TNS and using buildings better)	
City Warden Service	Communication of role to public/powers. Proposal from July 2017 meeting	
Cleansing Services review		
Communications Strategy		
Cold calling and doorstep loans	Proposal from July 2017 meeting	
Community Asset Transfer		
Community Safety	Public Spaces Protection Order (New Psychoactive Substances & Street Drinking): broad review	
Council tax reduction:	Public consultation with interested parties (eg SWAP) Re DHP discretionary housing payment) and CSG (crisis support grant)	To be scheduled in context of policy review
Emergency food: City's Food Banks	Overview and forthcoming developments Update report on volunteering numbers on food banks Voluntary action LeicesterShire	
Enforcement	Residents parking	
Fly tipping	Data from each ward City Wardens service	
Food Action Plan	Emergency food survey	
Gambling Impact Task Group report		
Knife crime		To be confirmed
Libraries	Which community groups use this space?	
Safer Leicester Partnership	Sector reports and updates	
Neighbourhood Policing and Community Safety	Government's modern crime prevention strategy	

## Neighbourhood Service and Community Involvement Scrutiny Commission

### Work Programme 2017-18

Payday Lenders		
Private Landlords.		
Regulatory Service review		
Social Welfare Advice Partnership	Report on advice provision and Council's response SWAP representative to be invited Single male claimants seeking help and crisis support	
Standards review		
Taxi Drivers	Child Safety/ screening process/ air quality	
Taxi Penalty System	12 month review – recommendation from NSCI August 2015	
The Furniture Bank Pilot Scheme: Evaluation & Future Options	Evaluation of pilot scheme and future options	
Trading Standards	Legal highs	
Using Buildings Better	Overview of the programme	
Voluntary and Community Sector	Voluntary Action Leicestershire	
Ward Community meetings		
Waste Management	Biffa contract 2028 Recycling figures and orange bags. Flats and terraced houses. Jan / March.	
Welfare reform	Briefing Impact and roll-out.	
Community Language Service	Briefing (requested at meeting on 12 <sup>th</sup> July 2017)	
halal desk top study	Briefing (requested at meeting on 12 <sup>th</sup> July 2017)	
Cold calling and doorstep loans	Request from members	Scoping document to be prepared?
<b>KEY DECISIONS</b>		
<a href="#">Community capacity spending review.</a>	Published 24 <sup>th</sup> April 2017	Previously consulted on 25 <sup>th</sup> Jan 2017

