

Leicester
City Council

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

17 January 2018

Sir or Madam

I hereby summon you to a meeting of the LEICESTER CITY COUNCIL to be held at the Town Hall, on THURSDAY, 25 JANUARY 2018 at FIVE O'CLOCK in the afternoon, for the business hereunder mentioned.

Monitoring Officer

AGENDA

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

The minutes of the meeting held on 30 November 2017 are available to view at:

<http://www.cabinet.leicester.gov.uk:8071/ieListMeetings.aspx?CId=81&Year=0>

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

4. STATEMENTS BY THE CITY MAYOR/EXECUTIVE

5. PETITIONS

- Presented by Members of the Public
- Presented by Councillors

6. QUESTIONS

- From Members of the Public
- From Councillors

7. MATTERS RESERVED TO COUNCIL

- 7.1 Council Tax Reduction Scheme

8. REPORT OF THE MONITORING OFFICER

- 8.1 Bi-Annual Report of Standards Committee July 2015 – June 2017:
Analysis of Cases Referred

9. REPORT OF THE AUDIT AND RISK COMMITTEE

- 9.1 Annual Report of the Audit and Risk Committee to Council covering the
municipal year 2016-17

10. EXECUTIVE AND COMMITTEES

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

11. ANY OTHER URGENT BUSINESS

Fire & Emergency Evacuation Procedure

- The Council Chamber Fire Exits are the two entrances either side of the top bench or under the balcony in the far left corner of the room.
- In the event of an emergency alarm sounding make your way to Town Hall Square and assemble on the far side of the fountain.
- Anyone who is unable to evacuate using stairs should speak to any of the Town Hall staff at the beginning of the meeting who will offer advice on evacuation arrangements.
- From the public gallery, exit via the way you came in, or via the Chamber as directed by Town Hall staff.

Meeting Arrangements

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

Democratic Support Officer in advance of the meeting to ensure that participants can be notified in advance and consideration given to practicalities such as allocating appropriate space in the public gallery etc.

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

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

MATTERS RESERVED TO COUNCIL

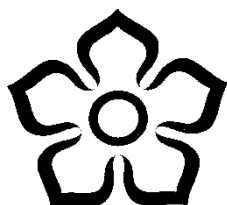
7.1 COUNCIL TAX REDUCTION SCHEME

A report is submitted seeking the Council's approval of a council tax reduction scheme from April 2018 onwards.

The Council is asked to:

- a) adopt a Council Tax Reduction Scheme to take effect from 1 April 2018 until further notice;
- b) delegate responsibility for reviewing the operation of the scheme and approving all changes considered minor and inconsequential to the Director of Finance in consultation with the Assistant City Mayor for Neighbourhood Services; and
- c) approve the enclosed Council Tax Discretionary Discount for Care Leavers Policy.

Sir Peter Soulsby
City Mayor



Leicester
City Council

7.1

WARDS AFFECTED: ALL WARDS

FULL COUNCIL

25th January 2018

COUNCIL TAX REDUCTION SCHEME

REPORT OF THE DIRECTOR OF FINANCE

1. Purpose of Report

- 1.1 The purpose of this report is to ask the Council to adopt a council tax reduction scheme (CTRS) from April 2018 onwards, to consider delegated responsibility for introducing minor or inconsequential changes where a consultation is not required to the Director of Finance in consultation with the Assistant City Mayor for Neighbourhood Services, and to adopt an additional local exemption in respect of those leaving care up to the age of 25.

2. Summary

- 2.1 The CTRS is a scheme of discounts for council taxpayers on low incomes. The cost of these (budgeted to be £21m in 2017/18) is met from the Council's General Fund budget. Around 35,000 taxpayers receive such a discount.
- 2.2 The scheme adopted last year was expressed as being for one year only, and this report recommends it is extended with minimal change.
- 2.3 The council must approve a council tax reduction scheme by 31st January 2018 for implementation in 2018/19.

3 Recommendations

- 3.1 The Council is asked to adopt a scheme to take effect from 1 April 2018 until further notice.
- 3.2 The Council is asked to delegate responsibility for reviewing the operation of the scheme to the Director of Finance in consultation with the Assistant City Mayor for Neighbourhood Services, and for approving all changes considered minor and inconsequential.
- 3.3 The Council is asked to approve the enclosed Council Tax Discretionary Discount for Care Leavers Policy.

4 Background

- 4.1 The Welfare Reform Act 2012 imposed a duty on billing authorities to design and introduce CTRS schemes for working age households.
- 4.2 At the same time as local authorities were placed under a duty to design schemes, the Government cut the available funding.
- 4.3 The legislation requires the Council to adequately protect vulnerable groups. The Council has a discretionary relief fund of £500,000 per annum, operating in tandem with the Discretionary Housing Payment scheme.
- 4.4 Following public consultation, the Council chose to adopt a scheme in 2013/14 with the following features:
- A maximum award of 80% of the full tax, meaning that all working-age tax payers need to pay a minimum of 20% of their bill;
 - No second adult rebate for working-age customers;
 - Capped awards for claimants with properties in tax band C or above, at the amounts which would be awarded if the property had been in band B;
 - A de minimis award, with no CTRS being awarded if entitlement is below this level (currently £3.70 per week);
 - No awards to those with capital (savings) in excess of £6,000.
- 4.5 This scheme was considerably less generous than the previous national scheme, under which claimants could receive 100% of the full tax in benefit.
- 4.6 Those of pension age were protected from the changes by law, retaining the same assessment and 100% maximum award as before. In 2016/17, 38% of our caseload was pension age.

5. Change in respect of Care Leavers

- 5.1 In response to the Government's Care Leavers' Strategy and campaign undertaken by the Children's Commissioner, it is recommended that a new local exemption for care leavers liable for council tax under the age of 25 be adopted. This will ensure our statutory obligations under the Children and Social Work Act to make a clear offer to care leavers are met, and relieve hardship experienced by this vulnerable group.
- 5.2 Almost 200 looked after children leave the care system in Leicester each year; on average only 60 under the age of 25 are liable for council tax in independent accommodation at any one time. It is anticipated that the maximum cost of adopting this exemption on this basis would be £68,000 per annum.

6. Equality implications

- 6.1 An Equality Impact Assessment (EIA) has been completed and can be found at Appendix 2. This assesses the impact in conjunction with other changes affecting household finances. In summary, the main impact will fall on those who are (and will continue to be) most reliant on state welfare support. These

households will see their finances squeezed through a combination of the increase in council tax payable, anticipated inflation for basic household items (particularly food), and the continuing impact of the Government's welfare reforms.

- 6.2 There are two main factors for consideration when considering equalities: the deprivation experienced in the city (Leicester is ranked 21st in England in terms of indices of multiple deprivation); and diversity in terms of protected characteristics – age, disability, sex, race, religion or belief, pregnancy or maternity, sexual orientation, and gender reassignment (as well as responsibilities of carers which need to be taken into consideration).
- 6.3 Of the city's 134,000 households, 35,000 receive CTRS support on the basis of their assessed need. Around one third of these are pensioner households who are eligible for 100% support; and two thirds are of working age, who must contribute at least 20% of their council tax bill.
- 6.4 These working age households will be either in low paid work or out of work, and will also be reliant upon social security benefits which in turn are subject to various welfare reforms introduced by the Government resulting in reduced household discretionary income over time.
- 6.5 Sheffield Hallam University in their March 2016 study on welfare reform has estimated that these reforms will, by 2020-21, result in an average compound loss of £490 per annum for each working age adult in Leicester. Their study indicates that different types of households will experience disproportionate impacts: those worst affected are likely to be couples with 2 or more children (with a total loss of £1,450 per annum by 2020-21), couples with 1 child (with a loss of £900 per annum), lone parents with children (with a loss of between £1,750-£1,400 per annum), and single persons of working age (£250 per annum). Therefore, over the next 4 years, there will be increased pressure on low income household incomes in the city as a result of the Government's welfare reforms. Disabled people reliant on benefits have had their incomes substantially reduced as a result of welfare reforms already introduced, and will continue to be affected by the next tranche of reforms.
- 6.6 While the economic climate has been relatively stable with virtually no inflation over the past year, the EU referendum decision in June has created some economic uncertainty in the country. Inflation has risen to 1.0% (CPI September 2016) following the fall in value of the pound, and is anticipated to increase to around 3% over the next year, adding further pressures to household incomes and their ability to purchase essential household utilities and items such as food.
- 6.7 As social security benefits get further squeezed and households with low incomes become more vulnerable to short-term financial crises, the importance of the local welfare safety net provided by local authorities in the form of discretionary support payments becomes more critical as the Government has in effect devolved this function to them.
- 6.8 The January 2016 House of Commons Works and Pensions Committee report on 'The local welfare safety net' is critical of the Government's approach and calls for a more robust and co-ordinated approach to sufficiently

protect services, including crisis welfare in deprived areas, that can cope with future economic downturns. Therefore, locally it is important to consider the value of the council's available discretionary funds (Discretionary Housing Payments, Council Tax Discretionary Relief and the Community Support Grant) as a key mitigating action to help households experiencing financial crises (used together holistically as a safety net with a supportive advice, personal budgeting support and signposting provision for claimants).

- 6.9 Our Public Sector Equality Duty requires us to consider the impact of our proposals and their effect on different protected characteristics.
- 6.10 In regard to those who receive CTRS support, pensioners (protected characteristic of age) eligible for support are not required to make the minimum contribution of 20% as set out by Government guidelines. Therefore working age claimants are disproportionately affected by any changes.
- 6.11 There is a disproportionate take up of CTRS by white people (60%) compared to the city's population (51%), indicating that race is another equalities consideration.
- 6.12 Disabled residents have their disability benefits disregarded as a source of income when calculating DHP and CTDR support, which therefore lowers their actual income threshold and potential requirement for contribution.
- 6.13 Single person households are disproportionately represented in their take up of CTR. Moving into work/increasing their working hours would mitigate the increased demand on their incomes with the introduction of Option 2 or 3.
- 6.14 Low income families and lone parents are less able to make up any household income shortfalls arising from the introduction of Options 2 or 3 because of the increased costs they have to bear for raising children and the decreased flexibility they have, particularly mothers, in moving into work/increasing their working hours, and would be disadvantaged by reductions in their household incomes by the introduction of these two options.
- 6.15 As mentioned above, discretionary funding (DHP, CTDR and CSG) mitigates some economic hardship experienced by residents – which is the only welfare safety net available to them. Disabled residents; carers and lone parents; those affected by the bedroom tax, local housing allowance levels, and benefit cap, have all been supported through the discretionary funding which is available to the council.

7. Financial Implications

The estimated cost of the council tax reduction scheme, in terms of lost council tax income, is £21m in 2017/18. The police and fire authorities also receive less income. The current scheme requires all working age taxpayers to pay at least 20% of their charge. This offsets the overall loss of council tax income (i.e. it would otherwise cost more than £21m).

The proposed change in respect of care leavers is estimated to cost an additional £68,000.

8. Legal Implications (Kamal Adatia)

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

9. Other Implications

- 9.1 None

10. Appendices

Appendix 1 – Council Tax Discretionary Discount (Care Leavers) Policy

Appendix 2 – Equality Impact Assessment

11. Report Author: Alison Greenhill

Appendix 1

Leicester City Council Council Tax Discretionary Discount Policy (Care Leavers)

- 1 Introduction**
- 2 Purpose and Principles of the Policy**
- 3 Awarding a Discount**
- 4 Application Process**
- 5 Review Process**

1. Introduction

- 1.1 Section 13A of the Local Government Finance Act 1992 provides councils with discretion to grant a discount in individual cases or to a prescribed classification of cases. The discount can be anything up to 100% of the council tax bill and is met from Council resources.
- 1.2 The Local Government Finance Act 2012 abolished the national council tax benefit scheme and councils were given powers to develop their own schemes for council tax reduction from 01 April 2013.
- 1.3 Leicester's Council Tax Support Scheme does not award full support to cover the council tax liability of anyone of working age. As a consequence some households in Leicester may be experiencing extra difficulty in meeting their new or increased liability.
- 1.4 In the event of any future revisions that make the scheme less generous, the council has a duty to consider transitional protection. Individuals who are identified as in need of transitional protection will be considered for a discount under this policy.
- 1.5 This document sets out the Council's framework for granting a discount to care leavers up to 25 years of age.

2 Purpose and Principles of the Policy

- 2.1 The council's Corporate Parenting Strategy articulates a commitment to improving outcomes for looked after children and to narrowing the gap between them and their peers.
- 2.2 The purpose of this policy is to assist those care leavers up to the age of 25 whose only support is the council by reducing the barriers of living in the community, providing them with increased support and lifting them from poverty.
- 2.3 This policy aims to support these care leavers to meet their council tax liability.

3. Awarding a Discount

- 3.1 This policy is effective from 1 April 2018; discounts cannot be backdated prior to this date.
- 3.2 A discount will be applied to 100% of the council tax liability after any other discounts have been applied for any care leaver living in Leicester up to the date they reach 25 years of age.
- 3.3 In order for the discount to apply, Leicester City Council must have been the Corporate Parent and held responsibility for the care leaver at the point the young person left care.

- 3.4 Discounts can be backdated to the 1 April of the financial year in which either an application for a discount is received or the council identifies that the conditions for the discount are met. Where the liability started after the 1 April of that financial year, then the discount will be awarded from the date the liability started.
- 3.5 Where other people are resident, the 100% discount will still be granted, even where there are others that are jointly and severally liable.
- 3.6 If the person leaves Leicester and returns, they will be entitled to the discount for any period they are liable for council tax in Leicester provided the other conditions are satisfied.

4. Application Process

- 4.1 Leicester City Council will apply the discount where records show that the care leaver meets the conditions shown in 3.2 above.
- 4.2 The Council will accept applications made in writing or verbally.

Section 5: Review Process

- 5.1 Under the Local Government Finance Act 1992, there is no right of appeal against the Council's use of discretionary powers. The Council will however accept a written request for a review of its decision. The request should include the reasons for requesting a review and any supporting information.
- 5.2 Reviews will be considered by an officer independent of the original decision maker.
- 5.3 If an application is refused the Council will provide the reason for refusal and instructions on how to request a review and the address where any request may be sent.
- 5.4 The applicant will be notified of the outcome of the review in writing.

Equality Impact Assessment (EIA) Template: Service Reviews/Service Changes

Title of spending review/service change/proposal	Council Tax Reduction Scheme 2017/2018
Name of division/service	Finance/ Revenues and Customer Support
Name of lead officer completing this assessment	James Rattenberry
Date EIA assessment completed	02/01/2018
Decision maker	Full Council
Date decision taken	25/01/2018

EIA sign off on completion:	Signature	Date
Lead officer		
Equalities officer		
Divisional director		

Please ensure the following:

- (a) That the document is understandable to a reader who has not read any other documents, and explains (on its own) how the Public Sector Equality Duty is met. This does not need to be lengthy, but must be complete.

- (b) That available support information and data is identified and where it can be found. Also be clear about highlighting gaps in existing data or evidence that you hold, and how you have sought to address these knowledge gaps.
- (c) That the equality impacts are capable of aggregation with those of other EIAs to identify the cumulative impact of all service changes made by the council on different groups of people.

1. Setting the context

Describe the proposal, the reasons it is being made, and the intended change or outcome. Will current service users' needs continue to be met?

The CTRS is a series of discounts for council tax payers on low income that aims to ease their financial hardship. Those who claim, and are entitled for CTR, pay a reduced amount of council tax. The new scheme will include an additional exemption on council tax bills for care leavers (people who have left LCC care under the age of 25), this will ensure that LCC meets its statutory obligations under the Children and Social Care Act. It is expected that this change will help care leavers as their exemption from paying council tax may reduce any potential financial hardship they suffer from. The scheme proposed for 2017/2018 is expected to be more of the same for those not made exempt.

2. Equality implications/obligations

Which aims of the Public Sector Equality Duty (PSED) are likely be relevant to the proposal? In this question, consider both the current service and the proposed changes.

Is this a relevant consideration? What issues could arise?

<p>Eliminate unlawful discrimination, harassment and victimisation</p> <p>How does the proposal/service ensure that there is no barrier or disproportionate impact for anyone with a particular protected characteristic</p>	<p>By exempting care leavers from council tax payments the proposal intends to aid a vulnerable group in reducing the financial gap between them and their peers.</p> <p>Those not exempt, including those with protected characteristics, will be treated equally and will be expected to pay a minimum of 20% of their council tax payment if on CTRS. The exception to this is those over state pension age, who if on low income, maintain a 100% protected council tax relief. Disabled individuals, who may need more support to pay council tax bills, can seek additional help through measures such as PIPs and</p>
<p>Advance equality of opportunity between different groups</p> <p>How does the proposal/service ensure that its intended outcomes promote equality of opportunity for users? Identify inequalities faced by those with specific protected characteristic(s).</p>	<p>Aside from the addition of an exemption for LCC care leavers the proposal makes no changes to the current system therefore, there is expected to be no impact on opportunity for users.</p> <p>Measures are already in place for disabled individuals, who may be on lower levels of income, to receive council support that will help them pay their council tax bills such as PIPs.</p>
<p>Foster good relations between different groups</p> <p>Does the service contribute to good relations or to broader community cohesion objectives? How does it achieve this aim?</p>	<p>It is expected that the exemption for care leavers will represent a move towards a more cohesive community as it will help reduce the gap between care leavers and their peers by reducing the financial burden upon them. The exemption thus represents an additional level of support for a vulnerable group.</p> <p>Apart from this, the proposal will replicate the CTRS</p>

	regulations that are currently in place.
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3. Who is affected?

Outline who could be affected, and how they could be affected by the proposal/service change. Include current service users and those who could benefit from but do not currently access the service.

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 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.

NOMIS¹ 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.

The scheme continues to exclude pensioners who were protected from the changes by law and retained the same assessment and 100% maximum award pre April 2013. The scheme now proposes to exempt care leavers from receiving council tax bills.

4. Information used to inform the equality impact assessment

What **data, research, or trend analysis** have you used? Describe how you have got your information and what it tells you. Are there any gaps or limitations in the information you currently hold, and how you have sought to address this, e.g. proxy data, national trends, etc.

¹ NOMIS is an Office for National Statistics web based service that provides free UK labour market statistics from official sources.

Internal research has been carried out (below) that calculates how much income the council will lose as a result of exempting care leavers from paying council tax. This was achieved through multiplying the average number of individuals leaving childcare per year with the council tax bill for a Band B property:

Average Number of children leaving care each year	195	
	Band B CT	Cost per Year
Total cost per year on CT exemption based on 100% of Band B CT	£1243.83	£242,547
Total cost per year on CT exemption based on 75% of Band B CT	£932.87	£181,909
Total cost per year on CT exemption based on 50% of Band B CT	£621.92	£121,274
Total cost per year on CT exemption based on 25% of Band B CT	£310.96	£60,637

Looking at young people who are eligible for leaving care services which would usually only mean those over 18 approx.

At the moment there are about 76 young persons in independent accommodation whom potentially are claiming or paying CT.

Number of young persons in independent	76
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accommodation		
	Band B CT	Cost per Year
Total cost per year on CT exemption based on 100% of Band B CT	£1243.83	£94,531
Total cost per year on CT exemption based on 75% of Band B CT	£932.87	£70,898
Total cost per year on CT exemption based on 50% of Band B CT	£621.92	£47,266
Total cost per year on CT exemption based on 25% of Band B CT	£310.96	£23,560

In addition to this internal research, external information has been utilised to inform the proposal. This includes figures from NOMIS on population and inflation rates.

5. Consultation

What **consultation** have you undertaken about the proposal with current service users, potential users and other stakeholders? What did they say about:

- What is important to them regarding the current service?
- How does (or could) the service meet their needs?
- How will they be affected by the proposal? What potential impacts did they identify because of their protected characteristic(s)?
- Did they identify any potential barriers they may face in accessing services/other opportunities that meet their needs?

Following public consultation, the Council chose to adopt a scheme in 2013/14 with the following features:

- A maximum award of 80% of the full tax, meaning that all working-age tax payers need to pay a minimum of 20% of their bill;
- No second adult rebate for working-age customers;
- Capped awards for claimants with properties in tax band C or above, at the amounts which would be awarded if the property had been in band B;
- A de minimis award, with no CTRS being awarded if entitlement is below this level (currently £3.70 per week);
- No awards to those with capital (savings) in excess of £6,000.

Anyone who is claiming or will go onto claim CTRS has to meet these criteria in order to be eligible.

No consultation has been completed locally in respect of these new proposals, however, as there are minimal changes, besides an included exemption for care leavers, it has not deemed necessary.

6. Potential equality Impact

Based on your understanding of the service area, any specific evidence you may have on service users and potential service users, and the findings of any consultation you have undertaken, use the table below to explain which individuals or community groups are likely to be affected by the proposal because of their protected characteristic(s). Describe what the impact is likely to be, how significant that impact is for individual or group well-being, and what mitigating actions can be taken to reduce or remove negative impacts.

Looking at potential impacts from a different perspective, this section also asks you to consider whether any other particular groups, especially vulnerable groups, are likely to be affected by the proposal. List the relevant that may be affected, along with their likely impact, potential risks and mitigating actions that would reduce or remove any negative impacts. These groups do not have to be defined by their protected characteristic(s).

	Impact of proposal: Describe the likely impact of the proposal on people because of their protected characteristic and	Risk of negative impact: How likely is it that people with this protected characteristic will be negatively affected?	Mitigating actions: For negative impacts, what mitigating actions can be taken to reduce or remove this impact?
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Protected characteristics	how they may be affected. Why is this protected characteristic relevant to the proposal? How does the protected characteristic determine/shape the potential impact of the proposal?	How great will that impact be on their well-being? What will determine who will be negatively affected?	These should be included in the action plan at the end of this EIA.
Age²	<p>Older people are not affected by any of the changes as they maintain a protected 100% council tax relief.</p> <p>Working age people bear the impact of welfare reform reductions and may thus have greater problems paying the minimum 20% council tax expected of them. This is somewhat offset by growing employment rates however, they are still likely to have reduced disposable income.</p> <p>Some younger people however, those that are care leavers will benefit from the proposed exemption in the scheme. As they will not be required to pay council</p>	<p>No changes to CTRS outside of the added exemption for care leavers mean that working age households must continue to cope with the minimum 20% payment for council tax. This financial burden is made greater by stagnating wages, inflation and benefit freezing/reductions that have reduced the amount rewarded and limited 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> <p>Ensuring that face-to-face support, home visits, paper forms and appropriate support continues to be available to support the primary online receipt route for discretionary awards. Ensuring that vulnerable customers are able to access the service is key.</p> <p>Ensuring that Social Welfare Advice, support with jobs and skills; and, personal budgeting support is available to empower</p>

² Age: Indicate which age group is most affected, either specify general age group - children, young people working age people or older people or specific age bands

	tax, which should ameliorate any financial concerns they may possess.		customers to improve their circumstances.
Disability³	Disability benefits/support has reduced over time ensuring disabled people have less capacity to deal with financial difficulties.	Further erosion of 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.	<p>The council recognises the barriers disabled people face and seeks to assist them by disregarding Disability Living Allowance, Attendance Allowance, Independence Allowance and all armed forces compensation income from the Veterans and Members of the Armed Forces.</p> <p>We will continue to apply all disabled premiums within the calculation of the Applicable Amount.</p> <p>Applications for an additional exceptional hardship payment will be considered in line with our responsibilities under section 13a (1)(c) of the Local Government Finance Act 1992 for those severely disabled people who cannot afford to pay the 20%</p>

³ Disability: if specific impairments are affected by the proposal, specify which these are. Our standard categories are on our equality monitoring form – physical impairment, sensory impairment, mental health condition, learning disability, long standing illness or health condition.

			<p>element of their council tax charge.</p> <p>We consider a claimant is also regarded as financially vulnerable for CTDR if the claimant is a disabled adult living in supported living accommodation who has carers and is unable to work due to their health.</p> <p>We will promote the CTDR scheme through communications activity, advice agencies and organisations.</p> <p>We consider that Council Tax Discretionary Relief will be available to any vulnerable applicant based on personal and financial circumstances.</p> <p>Our CTDR scheme regards as financially vulnerable the claimant or partner when they are in receipt of Employment Support Allowance (ESA), and get the support component.</p> <p>A claimant whose property is adapted for the wellbeing of a</p>
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			<p>disabled person living in that property can have their council tax reduced through a disabled persons reduction by one band below that which the property falls under. For Band A properties the charge is reduced by 1/9th of the band D value.</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>Ensuring that Social Welfare Advice, support with jobs and skills; and, personal budgeting support is available to empower customers to improve their circumstances.</p>
Gender Reassignment⁴	No disproportionate impact is attributable specifically to this characteristic.	N/A	N/A

⁴ Gender reassignment: indicate whether the proposal has potential impact on trans men or trans women, and if so, which group is affected.

Marriage and Civil Partnership	Couples receive benefits if in need, irrespective of their legal marriage or civil partnership status. No disproportionate impact is attributable specifically to this characteristic.	N/A	N/A
Pregnancy and Maternity	May be facing reduced income due to maternity leave.	The cumulative impact of CTRS costs to be met by an individual household alongside any other financial limitations they may be experiencing (for instance limitations to other benefits) could result in increased financial hardship for the household.	<p>Promote pregnant and nursing women being aware of and accessing Council Tax Discretionary Relief scheme through advice agencies, GP surgeries and maternity wards.</p> <p>The Council's recovery and enforcement policies provide for door-step collection from pregnant women, including actions to be taken to not place women under any additional stress.</p> <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>Ensuring that Social Welfare Advice, support with jobs and</p>

			skills; and, personal budgeting support is available to empower customers to improve their circumstances.
Race⁵	Information on the ethnicity of claimants has only been recorded in 47% of cases; the majority of respondents were white. Individuals of Asian and Afro-Caribbean descent were also prevalent. This data comes from the latest benefit live caseload (November 2017).	<p>The cumulative impact of additional CTRS costs to be met by an individual household alongside any other financial limitations they may be experiencing could result in increased financial hardship for the household.</p> <p>Risk of indirect discrimination, potentially as a result of language difficulties or lack of awareness of the schemes involved within their communities.</p> <p>The issues in relation to enforcement of unpaid tax for households in which there is limited understanding of English.</p>	<p>Increased engagement with advice agencies who offer direct language translation.</p> <p>Improved engagement with community support groups will expand awareness of the Council Tax Discretionary Relief Scheme among the city's different BME communities.</p> <p>Employment of the Council's Recovery and Enforcement policies and procedures.</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>

⁵ Race: given the city's racial diversity it is useful that we collect information on which racial groups are affected by the proposal. Our equalities monitoring form follows ONS general census categories and uses broad categories in the first instance with the opportunity to identify more specific racial groups such as Gypsies/Travellers. Use the most relevant classification for the proposal.

			Ensuring that Social Welfare Advice, support with jobs and skills; and, personal budgeting support is available to empower customers to improve their circumstances.
Religion or Belief ⁶	No disproportionate impact is attributable specifically to this characteristic	N/A	N/A
Sex ⁷	The latest caseload demonstrates that 52% of CTRS claimants are women.	<p>National research indicates the financial vulnerability of women in relation to economic and welfare reform impacts, particularly female lone parent households.</p> <p>The cumulative impact of additional CTRS costs to be met by an individual household alongside any other financial limitations they may be experiencing could result in increased financial hardship for</p>	<p>The Council's Recovery and Enforcement policies and procedures describe actions which are and are not acceptable for collection of tax from single women. The procedures include processes for identifying and managing recovery from vulnerable women or women who may be at risk of violence in the event of collection of tax due.</p> <p>Council Tax Discretionary Relief Scheme notes that financially</p>

⁶ Religion or Belief: If specific religious or faith groups are affected by the proposal, our equalities monitoring form sets out categories reflective of the city's population. Given the diversity of the city there is always scope to include any group that is not listed.

⁷ Sex: Indicate whether this has potential impact on either males or females

		the household.	<p>vulnerable groups include households where the claimant or a household member has suffered domestic violence, and is being supported by accredited local schemes to remain in permanent accommodation or move into permanent accommodation (inclusive of forced marriages).</p> <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>Ensuring that Social Welfare Advice, support with jobs and skills; and, personal budgeting support is available to empower customers to improve their circumstances.</p>
Sexual Orientation⁸	No disproportionate impact is attributable specifically to this	N/A	N/A

⁸ Sexual Orientation: It is important to remember when considering the potential impact of the proposal on LGBT communities, that they are each separate communities with differing needs. Lesbian, gay, bisexual and transgender people should be considered separately and not as one group. The gender reassignment category above considers the needs of trans men and trans women.

	characteristic.		
<p>Summarise why the protected characteristics you have commented on, are relevant to the proposal?</p> <p>As outlined above, the key protected characteristics with relevance to the proposal are age, sex, race, pregnancy and maternity and disability – resulting from the cumulative impact of CTRS costs to be met by an individual household alongside any other financial limitations they may be experiencing (for instance limitations to other benefits).</p> <p>Summarise why the protected characteristics you have not commented on, are not relevant to the proposal?</p> <p>As no impacts relating to sexual orientation, religion and belief and gender reassignment have been identified.</p>			

Other groups	<p>Impact of proposal: Describe the likely impact of the proposal on children in poverty or any other people who we consider to be vulnerable. List any vulnerable groups likely to be affected. Will their needs continue to be met? What issues will affect their take up of services/other opportunities that meet their needs/address inequalities they face?</p>	<p>Risk of negative impact: How likely is it that this group of people will be negatively affected? How great will that impact be on their well-being? What will determine who will be negatively affected?</p>	<p>Mitigating actions: For negative impacts, what mitigating actions can be taken to reduce or remove this impact for this vulnerable group of people? These should be included in the action plan at the end of this EIA.</p>
Children in poverty	<p>As care leavers by definition cannot be children the proposed exemption should have no real effect on children in poverty.</p> <p>However, as the CTRS will still require claimants to pay a minimum 20% of their council tax</p>	<p>The cumulative impact of CTRS costs to be met by an individual household alongside any other financial limitations they may be experiencing could result in increased financial hardship for the household. This may directly lead to a worse standard of life</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>Ensuring that Social Welfare</p>

	there is a chance that growing external financial pressures such as inflation and benefit freezes will result in reduced disposable income for households in poverty.	for children present in the household and in severe cases could lead to increase child poverty rates. The institute for Fiscal Studies notes that it predicts 400,000 children to slip into poverty as a result of recent benefit reforms.	Advice, support with jobs and skills; and, personal budgeting support is available to empower customers to improve their circumstances.
Other vulnerable groups	Care Leavers – Will be made exempt from having to pay council tax.	Around 200 looked after children leave the care system in Leicester each year. On average 60 of these are liable for council tax in independent accommodation at any one time. It is anticipated that exempting this 60 will relieve the hardship experienced by this vulnerable group. There will thus be no negative impact on care leavers themselves.	No risk of negative impact to vulnerable group
Other (describe)			
7. Other sources of potential negative impacts Are there any other potential negative impacts external to the service that could further disadvantage service users over the next three years that should be considered? For example, these could include: other proposed changes to council services that would affect the same group of service users; Government policies or proposed changes to current provision by public agencies (such as new benefit arrangements) that would negatively affect residents; external economic impacts such as an economic downturn.			
The government has implemented a number of reforms that have reduced/frozen benefit support, this has occurred at a time when inflation is reasonably high (3.1%) and income growth relatively low (2.2% weekly earnings increase per annum).			

Resultantly, even though the proposals do not increase the minimum council tax payment expected with CTRS there may be an increased negative impact as disposable income is continually squeezed by various factors.

8. Human Rights Implications

Are there any human rights implications which need to be considered (please see the list at the end of the template), if so please complete the Human Rights Template and list the main implications below:

No impacts identified

9. Monitoring Impact

You will need to ensure that monitoring systems are established to check for impact on the protected characteristics and human rights after the decision has been implemented. Describe the systems which are set up to:

- monitor impact (positive and negative, intended and unintended) for different groups
- monitor barriers for different groups
- enable open feedback and suggestions from different communities
- ensure that the EIA action plan (below) is delivered.

10. EIA action plan

Please list all the equality objectives, actions and targets that result from this Assessment (continue on separate sheets as necessary). These now need to be included in the relevant service plan for mainstreaming and performance management purposes.

Equality Outcome	Action	Officer Responsible	Completion date
Establish and augment monitoring data and methods on care leavers to ensure they are given new exemption they are entitled to	To gather and monitor new data in regards to establishing if claimants are classified as care leavers and thus entitled to council tax exemption		
Raise awareness for exemption with staff and relevant stakeholders on new council tax exemption available to care leavers	To inform and train staff (if necessary) on changes to CTRS		

Human Rights Articles:

Part 1: The Convention Rights and Freedoms

- Article 2:** Right to Life
- Article 3:** Right not to be tortured or treated in an inhuman or degrading way
- Article 4:** Right not to be subjected to slavery/forced labour
- Article 5:** Right to liberty and security
- Article 6:** Right to a fair trial
- Article 7:** No punishment without law
- Article 8:** Right to respect for private and family life
- Article 9:** Right to freedom of thought, conscience and religion
- Article 10:** Right to freedom of expression
- Article 11:** Right to freedom of assembly and association
- Article 12:** Right to marry
- Article 14:** Right not to be discriminated against

Part 2: First Protocol

- Article 1:** Protection of property/peaceful enjoyment

Article 2: Right to education

Article 3: Right to free elections

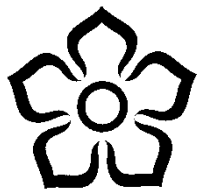
REPORT OF THE MONITORING OFFICER

8.1 BI-ANNUAL REPORT OF STANDARDS COMMITTEE JULY 2015 - JUNE 2017: ANALYSIS OF CASES REFERRED

A report is submitted detailing Elected Member complaints for the period 1 July 2015 to 30 June 2017.

The Council is recommended to note the report.

**Kamal Adatia
Monitoring Officer**



Leicester
City Council

WARDS AFFECTED All

8.1

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

STANDARDS COMMITTEE

28th November 2017

COUNCIL

25th January 2018

BI-ANNUAL REPORT OF STANDARDS COMMITTEE JULY 2015 - JUNE 2017: ANALYSIS OF CASES REFERRED

Report of the Monitoring Officer

1. PURPOSE OF REPORT

- 1.1. This is the report of the Monitoring officer, dealing with Elected Member complaints for the period 1st July 2015 to 30th June 2017. Council have separately approved and revised two key documents (the “Code” and the “Arrangements”) which, respectively, set out the expected standards of behaviour of Elected Members and the procedural framework under which misconduct allegations are processed.
- 1.2. This report focuses specifically upon the case work that has come to the attention of the Standards Committee during the two years since the last annual report, covering the period 1st July 2013 to 30th June 2015. This report does not purport to deal with the other work undertaken by the Standards Committee in the relevant years (such as the policies it has commissioned, the reviews it has undertaken or the themes it has explored).
- 1.3. This report was considered by the Standards Committee at its meeting on 28 November 2017, (minute 18 refers), where it was welcomed and endorsed.

2. RECOMMENDATIONS

- 2.1. For Standards Committee to note the report and make any recommendations
- 2.2. For Council to note the report

3. REPORT

Principles

- 3.1.1. The principles which underpin the Council's processes for dealing with Member misconduct complaint remain as follows:
 - a. There should be simplicity to the scheme so that it is easily understood and transparent
 - b. There should be flexibility at every stage of the process for informal resolution and / or robust decisions to be taken about "no further action"
 - c. There should be Member involvement at key stages in the process
 - d. There should be the involvement of Independent Members (IM) and the Independent Person (IP) at key stages of the process
 - e. The Monitoring Officer should have greater powers to deal with complaints relating to the Code of Conduct
 - f. Rights for complainants to seek a "review" of a decisions at various stages should be limited, consistent with the reduced scope and severity of allowable outcomes that can be imposed under the new regime
 - g. At any stage in the process where it is clear that a matter should be referred to the police this should be done and the local investigation should be suspended

3.2. Volume

No. of valid complaints lodged 1st July 2015 to 30th June 2016	4
No. of valid complaints lodged 1st July 2016 to 30th June 2017	11

2015/16

- 3.3. In the period July 2015 to June 2016 four valid complaints were lodged.
- 3.4. The four cases to June 2016 involved seven allegations of Elected Member misconduct because two of the complaints were levelled at multiple Elected Members simultaneously (i.e. alleging the same misconduct against more than one Elected Member).
- 3.5. The total number of different Elected Members complained-about was seven. This means that no single Elected Member featured in more than one valid complaint during 2015/16. It also demonstrates that 47 out of 54 Elected Members did not attract an allegation of misconduct.

2016/17

- 3.6. In the period July 2016 to June 2017 eleven valid complaints were lodged.
- 3.7. The twelve cases to June 2017 involved twelve allegations of Elected Member misconduct because one of the complaints was leveled at two Elected Members simultaneously (i.e. alleging the same misconduct against two Elected Members over the same incident).
- 3.8. The total number of different Elected Members complained-about was eleven. One Elected Member attracted two complaints. Conversely, this demonstrates that 44 out of 54 Elected Members did not attract an allegation of misconduct.
- 3.9. A particular feature in respect of the 2016/17 statistics is that five of the eleven complaints were generated from one particular Council meeting.
- 3.10. The reference to “valid” complaints is deliberate, and it is to be noted that ten actual referrals were made to the Monitoring Officer in 2015/15 and twenty-five such referrals were made in 2016/17. It follows that nineteen additional cases were dealt with by the Monitoring officer during the two year period and such referrals were never treated as valid complaints. The reasons for this included:
 - Complaint too vague or general to constitute a valid complaint, and when invited by the Monitoring Officer to clarify the nature of the allegation, the prospective complainant declined to engage
 - Complaint made against entire Council Chamber because of a particular policy (e.g. “Boycott” Motion)
 - Complaint revealed as false and malicious

- Complaint more properly resolved through other action instigated by the Monitoring Officer (e.g. complaint wasn't about standards, and complainant really only wanted progression/resolution of an operational matter)
- Complaint already properly dealt with through other channels
- Elected Member clearly not acting on the business of the Authority at the time (for example, was acting in private capacity on social media, or was acting on party political business)
- Elected Member(s) decided not to pursue a complaint against another Elected Member following an informal discussion with the Monitoring Officer

3.11. In all cases where a prospective complaint is not treated as valid the Monitoring Officer is mindful to assess whether it is just and fair to abandon it, taking an appropriate steer from the Independent Person(s) if appropriate.

3.12. Source of Complaints

2015/16

Complaints from members of the public	4
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3.13. It is right to say however than in two of the four complaints lodged the complainant was complaining on behalf of a community or special interest group.

2016/17

Complaints from members of the public	3
Complaints from other Elected Members	5
Complaint from LCC or Vol. Sector staff member	3

3.14. All of the Elected Member complaints arose out of one Council meeting.

3.15. Nature of allegations

(This may be greater than the number of complaints, where a complainant has complained about more than one Councillor within the same complaint)

2015/16

Behaviour	2
Unhelpfulness	1
Abuse of position	1

- 3.16. It is very difficult to draw any inferences from the categories used above due to the small sample size. The anonymized Appendix gives more insight into the nature of the allegations raised in the context of the complaints

2016/17

Behaviour	8
Unhelpfulness	2
Abuse of position	1

- 3.17. The theme of 'behaviour' predominated in the twelve allegations made in the relevant year. Five of these stemmed from the same Council meeting.

3.18. Route

2015/16

Dealt with by I.P. and M.O. (or Deputy M.O.)	2
Concluded after 'Review' by M.O. and second I.P	2
Investigative report commissioned	0

Proceeded to Standards Hearing	0
---------------------------------------	----------

- 3.19. 100% of cases were dealt with by the Monitoring Officer in conjunction with one of the two Independent Persons. These complaints do not come to the attention of the Standards Committee or the Standards Advisory Board (a sub-committee of the Standards Committee which looks at specific complaints) save by way of anonymised and very brief update at each Standards Committee meeting which is convened throughout the year.
- 3.20. Of the four cases, two involved the complainant seeking a “review” of the first-stage decision. The Council’s “Arrangements” allow for this right to be exercised in respect of all outcomes short of referral for independent investigation. A review is achieved by the Monitoring Officer sending the complaint to the second Independent Person, essentially for a second opinion as to outcome. In both cases taken to review level over the past year, the conclusion was not different to that reached by the first Independent Person in conjunction with the Monitoring Officer. The view of the Monitoring Officer on this is that this demonstrates a broad level of consistency between the Monitoring Officer and the two Independent Persons as to the appropriate threshold and proper use of the Standards regime in individual cases, but also acts as a useful mechanism to test out initial decisions and to explore other avenues which may not have received particular attention when the complaint was first looked at. Indeed in both cases that proceeded to “review” the second Independent Person raised issues or demonstrated insights into the case from a different perspective, and it is believed that these, when fed back to the complainant, would have underlined the impartiality and integrity of the Arrangements.

2016/17

Dealt with by I.P. and M.O. (or Deputy M.O)	8
Dealt with after ‘Review’ by M.O. and second I.P	2
Investigative report commissioned	0
Proceeded to Standards Hearing	1

- 3.21. Over 75% of cases were dealt with by the Monitoring Officer and Independent Person (nine cases) during 2016/17.
- 3.22. Of the eleven cases two entailed a request for a “Review”. In one of those cases the complaint outcome was changed after Review. The original outcome concluded that an

insulting exchange within the Council Chamber was to be rejected because it was dealt with by another process (a public apology). Upon review, it was decided that this should be recorded as a low-level breach warranting informal resolution.

- 3.23. In no case was an investigative report commissioned. At first sight this may seem anomalous given that one case clearly proceeded to a Standards Hearing. However the circumstances of this case revealed that even in serious cases which proceed to a full hearing, it may not be necessary to commission a separate investigation, for example where ample evidence of the incident already exists. This insight led to a clarification to the “Arrangements” being endorsed by Full Council at its meeting on 6th July 2017.
- 3.24. One case proceeded to a full Standards hearing. This case received media attention in April 2017.

3.25. Outcome of allegations

(As explained earlier, this maps outcomes against the number of allegations, rather than number of complaints)

2015/16

Rejected (not related to Code, or covered by another process)	0
Rejected (trivial, no public interest in pursuing, vexatious)	0
Rejected (no potential breach of Code disclosed)	6
Informal resolution (no breach, reparation desirable)	1
Informal resolution (low level breach, undesirable to take further)	0
Standards hearing (outcome of ‘no breach’)	0
Standards hearing (outcome of ‘breach’)	0
Other	0

- 3.26. No serious breaches of the Code of Conduct were established amongst the seven allegations. Some further detail is to be found in the Appendix.

2016/17

Rejected (not related to Code, or covered by another process)	0
Rejected (trivial, no public interest in pursuing, vexatious)	0
Rejected (no potential breach of Code disclosed)	7
Informal resolution (no breach, reparation desirable)	3
Informal resolution (low level breach, undesirable to take further)	1
Standards hearing (outcome of 'no breach')	0
Standards hearing (outcome of 'breach')	1
Other	0

3.27. Some further detail is to be found in the Appendix. One serious breach of the Code of Conduct was established amongst the twelve allegations. This matter has received media attention, and it is not the focus of this report to comment upon individual cases. What that case does reveal however is the limits of the entire regime in relation to enforcing and upholding an Elected Member Code of Conduct. It is a matter of record that the Councillor found to have breached the Code in the particular case (for (i) failing to show respect; (ii) failing to show leadership and (iii) bringing the Authority into disrepute) has not implemented the actions that were recommended by the Standards Committee; namely to apologise. Since 2012 the law has removed any power to impose sanctions on Elected Members who are found to have breached the Code of Conduct. It follows that whatever power attaches to the Standards regime to expose misconduct, offer restorative justice and guide the behaviour of Elected Members derives from:

- (i) The willingness of Elected Members to reflect upon their own behaviour in cases where they are so inclined; or
- (ii) The public power of censure that attaches to cases that are progressed to Standards Hearing subcommittee.

3.28. Timeliness

The 'Arrangements' set the following timeframes:

Complaint received ► Acknowledged to Complainant (within 5 days) ► Acknowledged to Subject Member (within 5 further days) ► Initial filtering decision by M.O. and I.P (within 15 days) ► [Further Fact Finding] ► Outcome letter ► Review (within 15 days of request)

In cases referred for investigation ► Investigation (within 3 months of initial outcome letter) ► Hearing (within 3 months)

- 3.29. The figures for the number of days taken to deal with a complaint are included within Appendix A. A relevant variable is for cases where an initial filtering decision results in the Monitoring Officer undertaking some more fact finding before an outcome is recommended. This could either entail asking for more details from the complainant, or involve meeting with the Subject Member to discuss the allegations. These are not always achievable within the ten day window envisaged, though the Monitoring Officer is conscious that “drift” in speedily resolving complaints is of itself harmful.
- 3.30. The Monitoring Officer is confident that in all cases complainants and Subject Members are communicated with in such a way that they are not left in doubt as to what stage of the process has been reached in dealing with their complaint, and when outcomes will be reached. Where target timescales are likely to be exceeded, it is important to explain this to the parties involved in a complaint, and in those circumstances (where the delay is purposeful) it is more important to maintain contact and dedicate what time is needed to the resolution of the complaint than to comply with rigid timeframes. The ‘Arrangements’ grant a degree of flexibility to the Monitoring Officer to achieve this aim.

3.31. **Cost**

No detailed analysis of the cost of operating the complaints regime has been undertaken, and neither would it be easy to do so. The vast majority of cases are dealt with without recourse to the Standards Advisory Board or a commissioning of any specialist investigations. The work is therefore absorbed within the day-to-day work of the Monitoring Officer in conjunction with one of the two Independent Persons. Most of this work in turn is conducted over e-mail.

3.32 **Monitoring and evaluation**

Following a recommendation from the Standards Committee in 2014/15, we now attempt to collate information regarding the ethnicity, gender and disability profile of complainants. For the two years covered by this report we can glean very little by way of patterns because of the small sample size. In the complaint year 2015/16 two out of the four complainants completed the monitoring data. In the 2016/17 complaint year we know that five of the eleven complaints came from Councillors. Taking together what was recorded in the monitoring data and the Monitoring Officer’s own knowledge of the cases, it is clear that the complaints regime was accessed by complainants from a diverse ethnic background; from both genders and by people who categorised

themselves as being disabled. It is however difficult to generalise from this any insights or implications for accessibility.

- 3.33 At the conclusion of a complaint, an Evaluation Form is sent to the complainant. In the relevant period one form was returned. The Form asks questions concerning the timeliness and clarity of the procedures, as well as a question about satisfaction with the outcome, as well as a free-text box for general comments. In the case in question the complainant commented that (i) the process was unnecessarily bureaucratic and (ii) the outcome was unsatisfactory. However, in the opinion of the Monitoring Officer this particular complaint had features which made this feedback almost inevitable. Fundamentally the complainant wanted to achieve the reversal of a Planning Decision, and utilised a number of “complaints” to achieve this. It was made very clear to the complainant from the outset that the Member misconduct complaint would never achieve the outcome so desired.

4. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

4.1. Financial Implications

None

4.2. Legal Implications

None

4.3. Climate Change Implications

None

5. OTHER IMPLICATIONS

OTHER IMPLICATIONS	YES/ NO	Paragraph/References Within the Report
Equal Opportunities		Throughout the report
Policy		Throughout the report

Sustainable and Environmental		Throughout the report
Crime and Disorder		Throughout the report
Human Rights Act		Throughout the report
Elderly/People on Low Income		Throughout the report
Corporate Parenting		Throughout the report
Health Inequalities Impact		Throughout the report

6. BACKGROUND PAPERS – LOCAL GOVERNMENT ACT 1972

None

7. REPORT AUTHOR

7.1. Kamal Adatia, City Barrister and Head of Standards.

COMPLAINTS 01/07/15 – 30/06/16

Reference	Subject Member	Complainant	Nature of Complaint	Route	Outcome	Turnaround time (days)
2015/08	Cllrs. A, B & C	Public	Cllrs (through their Committee role) failed to pursue a challenge to a Council policy	MO and IP	<p>Rejected – no evidence that the Cllrs received any correspondence from the complainant</p> <p>Rejected – complaint already dealt with by other means (complaint to officer over the policy)</p> <p>Noted – even had they received the correspondence, it may have been inappropriate to pursue as the Cllrs were members of the decision-making Committee</p>	25 days
2015/09	Cllrs. D & E	Public	Cllrs using their position to undermine and prejudice a local community group	MO and IP Review with second IP	<p>Rejected on the basis (i) no evidence to support allegations (ii) aspects of complaints did not relate to either Cllr / fell outside of the standards regime</p> <p>Outcome of the review supported the initial outcome and found no evidence/insufficient information provided in respect</p>	<p>250 days including review and meeting with Cllrs</p> <p><i>NOTE: There was significant delay in progressing this due to delays from the complainant in providing information and deciding on whether the Cllrs could be informed in addition to the need for some fact-finding at the outset to assist in deciding if there was any</i></p>

					of the complaint despite requests and extensions of time to allow for the complainant to submit it	<i>conduct and circumstances meaning that the code could have been engaged.</i>
2016/01	Cllr. F	Public	That Cllr approached complainant in the context of a dispute on a housing estate. That the Cllr refused to give their name, was rude and offensive and behaved in a threatening manner, which made the complainant feel intimidated.	MO and IP Review with second IP	<p>Informal resolution where (i) Code engaged and not breached, but where some gesture of reparation would still be in the interests of fairness</p> <p>Complainant was acting unlawfully and Cllr was challenging her.</p> <p>Outcome of 'review' was that there was no breach of the Code of Conduct. Gesture of reparation was merited and this was forthcoming in an earlier meeting with the Councillor and complainant and evident from the MO's investigations</p>	<p>35 days (including review)</p> <p><i>NOTE: The Councillor met with and apologised to the complainant</i></p>
2016/07	Cllr. G	Public	Allegation that Chair of decision-making meeting adopted unfair and biased procedure, leading to an unlawful decision	MO and IP	<p>Rejected – complaint discloses no breach or potential breach of the Code of Conduct. No evidence of bias or procedural irregularity or unfairness in chairing of relevant meeting</p> <p>Rejected - complaint is covered by another process (i.e. potential legal challenge to the decision)</p>	25 days

COMPLAINTS 01/07/16 – 30/06/17

Reference	Subject Member	Complainant	Nature of complaint	Route	Outcome	Turn-around time (days)	Reparation
2016/8	Cllr. A	Council staff	Unacceptable comments alleging bias in analysis undertaken by staff	MO and IP	Rejected – does not disclose breach or potential breach of the Code of Conduct	36 days	
2016/10	Cllrs. B	Public	Rude and threatening on the telephone to a Voluntary Sector employee	MO and IP	Informal resolution - no breach of Code of Conduct but some gesture of reparation would be in the interests of fairness.	44 days	Letter of apology
2016/11	Cllr. C	Councillor	Offensive remarks made during Council meeting	Standards Hearing Panel	<p>Breach found:</p> <ul style="list-style-type: none"> - Failure to show respect - Failure to show Leadership - Bringing Council into disrepute <p>Panel outcome:</p> <ul style="list-style-type: none"> - Issue letter of reprimand - Standards Committee to publish the Hearing Panel's findings; - A full apology to be given to the complainant and to the public meeting 	179 days	

2016/15	Cllr. D	Councillor	Insulting remarks made during Council meeting	MO and IP Review with separate IP	Informal resolution - Code engaged but low level of breach only occurred such as not to warrant formal investigation	36 days 60 days with review	
2016/16	Cllr. E	Councillor	Failed to intervene at a public meeting when complainant was subjected to disrespectful and personal verbal attacks	MO and IP	Rejected – does not disclose breach or potential breach of the Code of Conduct	32 days	
2016/17	Cllr. F	Councillor	Offensive remarks during a Council meeting, and had misled in relation to their “interests”	Deputy MO and IP	Rejected – does not disclose breach or potential breach of the Code of Conduct	79 days	
2016/19	Cllr. G	Councillor	Failed to act with honesty and objectively in a Council meeting	MO and IP Review with separate IP	Rejected – does not disclose breach or potential breach of the Code of Conduct Original complaint upheld	27 days 39 days	
2017/01	Cllr. F	Public (organisation)	Pattern of misconduct and bias against organisation	MO and IP	Rejected – does not disclose breach or potential breach of the Code of Conduct	31 days	
2017/02	Cllr. H	Public	Failed to represent constituent’s views	MO and IP	Informal resolution – no breach of the Code but some form of	21 days	Letter of apology

			during a public consultation		reparation would be in the interests of fairness		
2017/03	Cllr. I	Public	Used their position to influence a building control matter.	MO and IP	Informal resolution - no breach of the Code but some form of reparation would still be in the interest of fairness	24 days	Letter of apology
2017/05	Cllr. J Cllr. K	Public	Did not taking duties seriously and did not help constituents	MO and IP	Rejected – does not disclose breach or potential breach of the Code of Conduct	34 days	

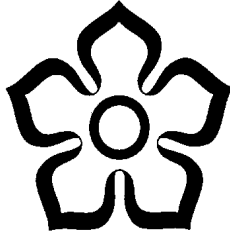
REPORT OF THE AUDIT AND RISK COMMITTEE

9.1 ANNUAL REPORT OF THE AUDIT AND RISK COMMITTEE TO COUNCIL COVERING THE MUNICIPAL YEAR 2016-17

The annual report of the Audit and Risk Committee setting out the Committee's achievements over the municipal year 2016-17 is submitted.

The Council is recommended to note the report.

**Councillor Mohammed Dawood
Chair, Audit & Risk Committee**



Leicester
City Council

WARDS AFFECTED:
ALL

9.1

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

Audit and Risk Committee
Council

6 December 2017
25 January 2018

Annual Report of the Audit and Risk Committee to Council
covering the municipal year 2016-17

Report of the Director of Finance

1 PURPOSE OF REPORT

- 1.1 To present to the Council the annual report of the Audit and Risk Committee setting out the Committee's achievements over the municipal year 2016-17.
- 1.2 This report was presented to the Committee for approval at its meeting on 6 December 2017. The minute of the Committee's discussion is attached at Appendix 1.

2 RECOMMENDATIONS

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

3 SUMMARY

- 3.1 The Committee's terms of reference approved by Council require the submission of an annual report on its activities, conduct, business and effectiveness. Moreover, the CIPFA* guidance on Audit Committees states that the audit committee should be held to account on a regular basis by Council, and that the preparation of an annual report can be helpful in this regard. (* CIPFA – the Chartered Institute of Public Finance and Accountancy)
- 3.2 The Audit and Risk Committee considered a wide range of business in fulfilment of its central role as part of the Council's system of corporate

governance, risk management and internal control. It conducted its business in an appropriate manner through a programme of meetings and fulfilled the expectations placed upon it.

4 REPORT

- 4.1 The Committee's terms of reference are regularly reviewed. They formally confer upon it the role of 'the board' for the purposes of the *Public Sector Internal Audit Standards*, (the mandatory elements of the Institute of Internal Auditors' International Professional Practices Framework, interpreted and adopted for local government by CIPFA) as the recognised professional standards for local authority internal audit.
- 4.2 During the municipal year 2016/17, the Committee met on six occasions. All meetings were properly constituted and quorate. The Committee's terms of reference require it to meet at least three times a year. The Head of Internal Audit & Risk Management attended meetings of the Committee. In addition, and in the interests of providing the full range of legal, constitutional and financial advice and expertise, the Committee was supported by the Director of Finance and the City Barrister & Head of Standards or their representatives.
- 4.3 In its publication *Audit Committees – Practical Guidance for Local Authorities*, CIPFA provided a self-assessment checklist to assist Councils in reviewing the effectiveness of their Audit Committees.
- 4.4 The Committee considered its compliance with the checklist during 2016/17 at its September 2017 meeting. Using this checklist, it is considered that the Audit and Risk Committee met the requirements for an effective Audit Committee. In summary:
- The Committee meets regularly and its chair and membership are sufficiently independent of other functions in the Council. Meetings are conducted constructively and are free and open and are not subject to political influences;
 - The Committee's terms of reference, which were formally revised and approved during the year, provide a sufficient spread of responsibilities covering internal and external audit, risk management and governance;
 - The Committee plays a sufficient role in the management of Internal Audit, including approval of the audit plan, review of Internal Audit's performance and the outcomes of audit work and management's response to that; and
 - The Committee receives reports from KPMG as the Council's external auditor and maintains an overview of the external audit process including the fees charged.
- 4.5 However, it is acknowledged that Committee members need suitable training. Arrangements have been made to provide training on a relevant topic at the beginning of every meeting of the Committee. The Committee is subject, of

course, to some turnover of membership each municipal year, an inevitable consequence of the political environment in a local authority. Should this happen, training for new members is offered.

- 4.6 The Committee is well established and has continued to make an important contribution to the effectiveness of the City Council's internal control and corporate governance frameworks. It is a central component of the Council's system of internal audit. The key outcomes from the Committee's work included:

4.6.1. Internal Audit

- The Committee considered the Internal Audit annual and quarterly plans and monitored their delivery and outcomes during the year. The Committee also received the Internal Audit annual report and opinion on the adequacy and effectiveness of the Council's framework of governance, risk management and control.
- The Committee reserves the right to summon relevant officers to attend its meetings to discuss in more depth specific issues raised by Internal Audit reports. This has helped to maintain the profile of the Committee and its role in promoting adherence to procedures and improved internal control.
- The Committee received and approved the annual review of the effectiveness of the Council's system of internal audit. The September 2016 meeting considered the 2015/16 financial year; the 2016/17 review was discussed at the September 2017 meeting, including the degree of conformance with *Public Sector Internal Audit Standards* (PSIAS) and results of the *Quality Assurance Improvement Programme* (QAIP).

4.6.2 Counter-Fraud

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

4.6.3 External Audit

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

4.6.4 Risk Management

- The Committee confirmed the Risk Management Strategy and Policy and Corporate Business Continuity Management Strategy. The Committee maintained a regular overview of the risk management arrangements including the Council's strategic and operational risk registers and 'horizon-scanning' for potential emerging risks to the Council and its services.

4.6.5 Corporate Governance

- The Committee fulfilled the responsibilities of 'the board' for the purposes of the City Council's conformance to the *Public Sector Internal Audit Standards* in terms of overseeing the Council's arrangements for audit, the management of risk and the corporate governance assurance framework.
- The Committee maintained its oversight of the Council's corporate governance arrangements. The Council's updated assurance framework, which maps out the process for collating the various sources of assurance and preparing the Council's statutory Annual Governance Statement, was reviewed and approved by the Committee.
- The Committee approved the draft Annual Governance Statement for 2015/16. The annual review of the assurance framework, which sets out the essential process for preparing the Annual Governance Statement, was approved by the Committee.
- This annual report to Council is part of the governance arrangements, through giving a summary of the Committee's work and contribution to the good governance of the City Council and demonstrating the associated accountability.

4.6.6 Financial reporting

- The Committee received and approved the Council's statutory Statement of Accounts for 2015/16 and associated external audit reports. It approved the Council's letter of representation, by means of which the City Council gives assurance to the external auditor; there were no significant items that were not reflected in the Council's accounting statements.

- The external auditor's Annual Governance Report was issued to the Committee as 'those charged with governance', and considered accordingly. In this report, the auditor confirmed that his audit opinion on the Council's financial statements would be 'unqualified'.

5. Conclusions

- 5.1 The Committee fulfilled all of the requirements of its terms of reference and the good practice guidance issued by CIPFA.
- 5.2 It is the view of the Director of Finance that the Audit & Risk Committee made a significant contribution to the good governance of the City Council. Through its work, it has reinforced the Council's systems of internal control and internal audit and has given valuable support to the arrangements for corporate governance, legal compliance and the management of risk.
- 5.3 Each year, following any changes in membership, there is a need to support members with relevant training and briefings on technically complex subjects, particularly in the context of the governance of a large local authority and especially during a period of continued financial stringency and change. The effectiveness of the Committee is enhanced by having members who have sufficient expertise and experience, attributes which benefit from some continuity of membership.

6. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

6.1 Financial Implications

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

Colin Sharpe, Head of Finance, ext. 37 4081

6.2 Legal Implications

The Audit & Risk Committee aids the fulfilment by the Council of its statutory responsibilities under the Accounts and Audit Regulations 2015 by considering the findings of a review of the effectiveness of the Council's system of internal control. It is an important part of the way the duties of the Director of Finance are met as the responsible financial officer under s151 of the Local Government Act 1972.

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

7. Other Implications

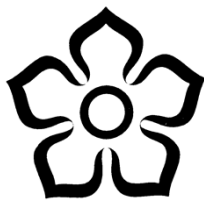
OTHER IMPLICATIONS	YES/NO	Paragraph references within supporting information
Equal Opportunities	No	
Policy	No	
Sustainable and Environmental	No	
Climate Change	No	
Crime and Disorder	Yes	4.6.2 – references to fraud and corruption
Human Rights Act	No	
Elderly/People on Low Income	No	
Corporate Parenting	No	
Health Inequalities	No	
Risk Management	Yes	The whole report concerns the audit, risk management and governance process, a main purpose of which is to give assurance to Directors and this Committee that risks are being properly identified and managed appropriately by the business.

8. BACKGROUND PAPERS – LOCAL GOVERNMENT ACT 1972

Agendas and Minutes of the Audit & Risk Committee meetings

REPORT AUTHOR

Colin Sharpe, Head of Finance, ext. 37 4081



Leicester
City Council

Appendix 1

MINUTE EXTRACT

**Minutes of the Meeting of the
AUDIT AND RISK COMMITTEE**

Held: WEDNESDAY, 6 DECEMBER 2017 at 5:30 pm

P R E S E N T :

Councillor Dawood (Chair)

Councillor Alfonso
Councillor Bajaj

Councillor Dr Chowdhury
Councillor Hunter

* * * * *

29. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Dr Moore and Councillor Westley.

Councillors Hunter and Bajaj gave apologies that they would be leaving the meeting at 6.30pm due to other commitments.

30. DECLARATIONS OF INTEREST

There were no declarations of interest.

38. DRAFT OF THE COMMITTEE'S ANNUAL REPORT TO COUNCIL 2016-17

The Director of Finance submitted a draft annual report of the Audit and Risk Committee to Council for the municipal year 2016-17.

Colin Sharpe presented the report and it was noted that the committee terms of reference approved by council required that an annual report be compiled. National guidance produced by CIPFA also considered it best practice for the committee to demonstrate its effectiveness and significant contribution to good governance of the council in an annual report.

Members noted the slight change to the format of the report and that a summary approach had been adopted rather than specific details.

The Chair thanked officers for the report.

RESOLVED:

That the Annual Report of the Audit & Risk Committee to Council covering the municipal year 2016-17 be approved and submitted to Council.