

# RECORD OF DECISION BY CITY MAYOR OR INDIVIDUAL EXECUTIVE MEMBER

<b>1.</b>	<b>Decision title</b>	LGSCO Maladministration Report – Mr X
<b>2.</b>	<b>Declarations of interest</b>	
<b>3.</b>	<b>Date of decision</b>	9 January 2026
<b>4.</b>	<b>Decision maker</b>	Deputy City Mayor – Housing, Economy, and Neighbourhoods
<b>5.</b>	<b>Decision taken</b>	To decline to comply with one of the four recommendations of the LGSCO - regarding payment of compensation to Mr X
<b>6.</b>	<b>Reason for decision</b>	<p>The recommendation set out at 4.4 of the Decision Report are not to be complied with for the following reasons:</p> <ul style="list-style-type: none"> <li>• The issue that is the subject of the recommendation at 4.4 are not of the Council's making. The Regulations regarding "unsuitability" were made by Parliament in 2003, over 20 years ago. The geopolitical context has changed unrecognisably since then. Between 2015 and 2025 the numbers presenting to the city council as homeless increased from 2163 to 6,891 and our provision, on which we spent over £5million per year, was overwhelmed, as was the case in comparable cities throughout the UK. Therefore these pressures a product of forces beyond one Council's control, together with policy made by multiple Government agencies including the Home Office. To seek to penalise a Council for a national and international crisis is grossly unfair to the Council and the taxpayers of Leicester.</li> <li>• It is impossible to see that the LGSCO have not set a clear precedent here that they will be bound to follow in other complaints. This is the second consecutive case in which a four-figure sum of compensation has been recommended by the Ombudsman. We calculate this exposure to be £250k for Leicester City Council, and many millions of pounds nationally. This could bring Councils</li> </ul>



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		<p>closer to the prospect of an unbalanced General Fund leading to significant and detrimental loss of local services for local people.</p> <ul style="list-style-type: none"> <li>• The principle of awarding a remedy is predicated upon the public body who is at fault being able to put-right that error. This is not the case here. There will be no salutary effect from this compensatory exposure, because we (like just about every other Council in the country) have no power to immediately create extra housing that would avert the need to keep families in B&amp;B for more than six weeks. The LGSCO recognises that the Council had nowhere else to place Mr X's family during this period.</li> <li>• We are spending many millions of pounds to respond in a structured way to the pressures. In the last 12 months the Council has spent £45m in the acquisition of 253 self-contained family and single temporary accommodation units. It has also spent over £400m in conjunction with partners to deliver over 1,800 new permanent affordable homes in the city, with a further 800 in train to be delivered by 2027. Exposing us to paying hundreds of thousands of pounds of compensation will only serve to significantly set-back our plans to strategically address it. By investing in new temporary and permanent housing stock we have reduced the number of families staying in B&amp;Bs from 421 in 2024 to 55 today</li> </ul>
7.	<b>A) KEY DECISION Yes/No?</b> b) If yes, was it published 5 clear days in advance? Yes/no	No
8.	<b>Options considered</b>	1. Compliance with all four recommendations 2. Compliance with three of the four recommendations

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9.	<b>Deadline for call-in</b> <ul style="list-style-type: none"><li>• 5 members of a scrutiny commission or any 5 councillors can ask for the decision to be called-in.</li><li>• Notification of call-in with reasons must be made to the monitoring officer</li></ul>	16 January 2026
10.	<b>Signature of decision maker</b> (City Mayor or where delegated by the City Mayor, name of executive member)	

