



Leicester  
City Council

Minutes of the Special Meeting of the  
OVERVIEW SELECT COMMITTEE

Held: THURSDAY, 11 JANUARY 2024 at 5:30 pm

P R E S E N T :

Councillor Cassidy (Chair)

Councillor Bajaj  
Councillor Dawood

Councillor March (for Cllr Surti)  
Councillor Porter

Councillor Waddington  
Councillor Whittle (for Cllr Joel)

Also present:

Sir Peter Soulsby  
Councillor Elly Cutkelvin

City Mayor  
Deputy Mayor for Housing and  
Neighbourhoods

\* \* \* \* \*

**1. APOLOGIES FOR ABSENCE**

There were no apologies for absence.

**2. DECLARATIONS OF INTEREST**

Members were asked to disclose any pecuniary or other interests they may have in the business on the agenda.

There were no declarations of interest.

**3. CHAIR'S ANNOUNCEMENTS**

The Chair wished all present a very happy new year.

**4. CALL-IN OF EXECUTIVE DECISION: CONNECTING LEICESTER -  
DEMOLITION OF 14-16 MARKET PLACE, CREATION OF NEW LINK AND  
DEVELOPMENT SITE**

A report was submitted informing the Committee that the Executive decision

taken by the City Mayor on 7 December 2023 relating to the creation of a new link and development site at Market Place North had been the subject of a six-member call-in under the procedures at Rule 12 of Part 4D, City Mayor and Executive Procedure Rules, of the Council's Constitution.

The Chair clearly outlined the process that he would follow in determining how to resolve the call-in. The Commission was recommended to either:

- a) Note the report without further comment or recommendation. (If the report is noted the process continues and the call in would be considered at Full Council); or
- b) Comment on the specific issues raised by the call-in. (If comments are made the process continues and the comments and call in would be considered at Full Council) or
- c) Resolve that the call-in be withdrawn

The Chair invited the proposer and seconder of the call-in, Councillor Kitterick and Councillor Bajaj to address the committee. The following points were raised:

- The proposal marked a huge investment into the city centre, and this was not a priority given the spending constraints that councils faced.
- Considerable spend had been injected into the city centre over recent years.
- The areas away from the city centre were not being adequately supported.
- The funding earmarked for this work should instead be spent on children's play or youth provision.

The Chair invited the City Mayor and relevant lead Directors to respond to the call-in. The following points were put forward:

- Developing the City Centre was vital in attracting significant sums of capital investment and helped to ensure a very high level of shopping unit occupancy.
- This work presented a continuation of the 'Connecting Leicester' programme, and there had been strong public support behind previous schemes.
- There had not been a disproportionate level of spend towards the city centre, with approximately 90% of capital expenditure benefiting Leicester's neighbourhoods.
- The Director, Tourism, Culture and Inward Investment, described the detail and benefits of the scheme via a series of presentation slides.
- The Director of Neighbourhood and Environmental Services provided a presentation that showcased the level of investment and progress in providing play equipment across the city.

Members of the Commission discussed the report which highlighted the following points:

- There were a number of ways in which the surrounding retail area could be developed. A 'box park' approach was a potential solution and had been increasingly popular in other cities, but that but other options would also be considered.
- A 'box park' approach or alternative solution would be subject to commercial investment.
- There was further re-iteration that the City Council invested significantly in both the city centre and surrounding neighbourhoods.
- This scheme and other strands of the Connecting Leicester programme provide a significant number of job opportunities.
- Previous schemes such as the development of the former Apple Street Car Park into Jubilee Square as well as the demolition of the former Fish Market had hugely transformed the city centre and provided quality public spaces.
- Reference was made by members to several new play area improvement projects that were being developed with their wards.

A short adjournment took place before the conclusion of the item.

Councillor Cassidy moved that, following the points raised during the meeting, the call-in be withdrawn. This was seconded by Cllr March.

It was agreed that a recorded vote be carried out. Councillors Cassidy, Dawood, March, Waddington voted in favour of the motion. Councillors Bajaj and Porter voted against the motion.

Upon being put to the vote, the motion was carried.

**RESOLVED:**

That the call-in be withdrawn and that the Committee supports the implementation of the Executive decision.

## **5. CALL-IN OF EXECUTIVE DECISION - CONNECTING LEICESTER - ST MARTINS PHASE 2 IMPROVEMENT SCHEME**

A report was submitted informing the Committee that the Executive decision taken by the City Mayor on 21 December 2023 relating to the release of £1.6m from the policy provision in Highways & Infrastructure to the Connecting Leicester capital programme for the delivery of the final phase of the St Martins street improvement scheme had been the subject of a six-member call-in under the procedures at Rule 12 of Part 4D, City Mayor and Executive Procedure Rules, of the Council's Constitution.

The Chair again clearly outlined the process that he would follow in determining

how to resolve the call-in. The Commission was recommended to either:

- a) Note the report without further comment or recommendation. (If the report is noted the process continues and the call in would be considered at Full Council); or
- b) Comment on the specific issues raised by the call-in. (If comments are made the process continues and the comments and call in would be considered at Full Council) or
- c) Resolve that the call-in be withdrawn

The Chair invited the proposer and seconder of the call-in, Councillor Bajaj and Councillor Porter to address the committee. The following points were raised:

- The proposal and level of investment did not represent the priorities of the people of the city.
- Given recent events, increased funding was required for flood prevention measures and the money earmarked for this scheme should be diverted to deal with flood prevention.
- The funding could also be diverted to increase the level of investment into road resurfacing across the city.
- The scheme was described as a 'vanity project' that provided little public benefit.

The Chair invited the City Mayor and the Director of Planning, Development and Transportation to respond to the call-in. The following points were put forward:

- This scheme represented a further continuation of the Connecting Leicester programme, and the completion of previous stands of the programme had led to significant investment into the city centre.
- This scheme would provide a significant number of job opportunities.
- The scheme would greatly improve accessibility within an area of the city centre that experienced a high level of footfall.
- Once the work had been undertaken, this scheme would complete Leicester's pedestrian zone, providing safe cycling and walking links.
- National figures indicated that every £1 invested in city centres by local authorities was likely to return £13 in private sector investment.
- Cit Centre businesses had been very supportive of this proposal.
- The Director of Planning, Development and Transportation further described the detail and benefits of the scheme via a series of presentation slides.

Councillor Cassidy moved that, following the points raised during the meeting, the call-in be withdrawn. This was seconded by Cllr March.

It was agreed that a recorded vote be carried out. Councillors Cassidy, Dawood, March, Waddington voted in favour of the motion. Councillors Bajaj

and Porter voted against the motion.

Upon being put to the vote, the motion was carried.

RESOLVED:

That the call-in be withdrawn and that the Committee supports the implementation of the Executive decision.

## **6. EXCEPTIONAL HOMELESSNESS PRESSURES ON HOUSING**

The Director of Housing submitted a report that set out positive actions and steps that were proposed to be taken to support families and people facing homelessness in Leicester which helped address very challenging homelessness pressures.

The Director of Housing initially introduced the report and explained that a revised version of the report had been provided to members in advance of the meeting. This version would be submitted to a Special Meeting of Full Council on 18 January, when a decision on the matter would be taken. He explained that the main alteration to the report was to remove an amendment to the enhanced rough sleeper element of provision and that this was no longer being proposed.

The Director of Housing made the following comments as part of an introduction:

- The national growth in homelessness was well known and was being experienced significantly in Leicester with 337 families in Temporary and B&B accommodation.
- The use of bed and breakfast provision to house people was extremely expensive, with anticipated costs to the local authority to rise by a further £7million by the end of 23/24.
- Demand for permanent homes could not be met even with the Council's own delivery of 1,100 homes, current delivery of 1,500 homes over 23-27, access to LCC properties and though increased access to registered providers stock & PRS stock (linked to the PRS landlord offer) had enabled access to an additional 1,400 homes.
- Furthermore, as a result of Government speeding up asylum decisions (SAP), there was a growing number of people and families (1,000) approaching Leicester City Council adding further pressures to Homelessness services and this had a significant and direct impact in Leicester. As there was no permanent accommodation to offer, those affected would ordinarily be placed in bed and breakfast provision or temporary accommodation. It was stressed that there was no direct financial support from central government to support with this.
- There was huge pressure on Homelessness Services, with a 20% increase in the number of people presenting themselves as homeless.

- Tackling the current demand on the homelessness service coupled with the impact of the Streamlined Asylum Process (SAP) equated to up to an additional £50 million of pressure on City Council finances over the next two years.
- This proposal aimed to manage and mitigate the current circumstances and would result in an investment of £45m and would involve:
  - a) The lease of 125 units of accommodation at an estimated annual net cost of £0.3m;
  - b) The acquisition of up to 225 units of accommodation at an estimated capital cost of £45m and annual revenue cost of £1m in 2024/25 (and £2m per year thereafter).
  - c) The addition of £45m to the Council's capital programme, to be financed from Prudential Borrowing.
- The proposed additional accommodation would comprise self-contained units and flats, each with their own cooking facilities; a significantly improved situation over the use of bed and breakfast provision.
- The current enhanced rough sleeper offer was beyond what the City Council was legally obliged to provide, and as such, it attracted many people from across the country who were unable to find suitable accommodation. It was stressed that the revised report did not seek a decision from Full Council in respect of the enhanced rough sleeper provision but that the matter would be kept under review.

The Deputy Mayor for Housing and Neighbourhoods commented further and re-iterated the significant level of increased cost in providing temporary accommodation and stressed the impact that this had on the service. She also pointed out that other local authorities were experiencing similar challenges, and many had struggled to devise suitable solutions. She spoke positively of the proposed approaches outlined in the report to tackle the challenges in Leicester, which she saw as a creative solution that would provide a far better standard of housing to families and single persons moving out of bed and breakfast accommodation. Officers were thanked for their work in drawing together the proposals.

The Chair invited David Brazier of Shelter to address the committee. David thanked Cllr Cutkelvin and officers for their work and welcomed the proposals in the report that was being submitted to Full Council. He supported a review of the existing enhanced rough sleeper provision and requested that the Voluntary Sector be involved in any consultative activity in relation to this.

Councillor Ashiedu Joel had submitted apologies for the meeting and her committee place had been substituted by Councillor Whittle. She had joined the meeting via the virtual link and the Chair invited her to make comment in her capacity as the Chair of the Housing Scrutiny Commission. She echoed the views expressed by several colleagues and requested that the enhanced rough sleeper offer be examined by the Housing Scrutiny Commission in due course. She, along with other committee members, also requested that a full Equality Impact Assessment in relation to the service accompanies any report that is presented to the commission.

In response to questions from members of the commission, the following points were made:

- It was currently proposed that all of the additional units of accommodation within the proposals would be located within the Leicester City Council boundary. Displacement beyond Leicester was not favoured nor anticipated.
- It was anticipated that there would be a broad geographical spread of accommodation across Leicester, and that it was intended where possible to house people close to where they were currently residing.
- The accommodation would comprise a mix of family homes and flats, with a higher proportion of the former being anticipated. It was agreed that a comprehensive breakdown in relation to the mix of accommodation be provided to members.
- All units of accommodation LCC will seek to buy would be vacant.
- Personnel costs were set out within the report and consisted of different levels of staffing numbers across of a range of areas within Homelessness Services. Advertisements for these positions would soon be issued.
- The timescale for completing the required work depended on how quickly the required accommodation could be made available, though it was made clear that there a dedicated Programme Board was engaging delivery on this. It was chaired by the Strategic Director of City Development and Neighbourhood Services and supported by a number of other relevant Directors.
- It was stressed that addressing this matter was a vitally important priority for the City Council and that the Director of Estates and Building Services, along with others, had identified a long-list of potential housing options and the financial viability of these options was being currently reviewed.
- The figure of £1.2m attributed to management services related to the work required to manage the 350 properties. An external provider would be procured to undertake this work.
- In response to a comment that the proposals provided a temporary rather than a permanent offer to those in need, it was stated that there had been a sharp increase in the level of investment by the City Council into permanent homes. 1,100 new homes had been recently built and a further 1,500 were in train which would bring spending up to £450m overall. Of these, up to 700 homes would be able to house people permanently.
- The City Council would ideally want to always offer permanent solutions, but with the numbers presenting as homeless, this wasn't viable. The proposal provided a comfortable living space to significantly improve conditions for people whilst permanent options for them were being explored.
- It was noted that 337 people currently were residing in temporary accommodation but it was anticipated that a further 1,000 people could

present themselves as homeless to the local authority in the next few months.

- It was made clear that the City Council had carefully considered all legal implications associated with the proposals and had also sought external legal advice. This information was legally privileged and could not be widely distributed.
- It was confirmed that the government would not be providing any finance to local authorities to help to respond to the current level of pressure on resources brought about by the Streamlined Asylum process.
- There was strong commitment to continue to work closely with the voluntary sector in facilitating services to those who were homeless. It was reported that there was a range of organisations across the city that worked collaboratively with the City Council in offering solutions to strengthen pathways for those in need.
- The Hospital Close development would be completed in two phases, both of which were due to finish by the end of 2024.
- There were currently fewer than 350 vacant council homes, which equated to less than 2% of total stock. This was seen as a very good level of performance.

The committee was reminded that Full Council would be asked to approve the following recommendations:

- i) To note the significant service and Council pressure arising from the increase in homelessness;
- ii) To note and comment on the actions being proposed relating to the below recommendations in this report;
- iii) To agree to proceed with leasing 125 units of accommodation at an estimated annual net cost of £0.3m;
- iv) To agree to proceed with the acquisition of up to 225 units of accommodation at an estimated capital cost of £45m and annual revenue cost of £1m in 2024/25 (and £2m per year thereafter).
- v) To approve the addition of £45m to the Council's capital programme, to be financed from Prudential Borrowing.

**AGREED:**

- 1) To note the recommendations for the Special Meeting of Full Council, as outlined above.
- 2) That a report regarding the enhanced rough sleeper offer be provided to the Housing Scrutiny Commission and that an Equality Impact Assessment be prepared to accompany this report; and
- 3) That a comprehensive breakdown in relation to the mix of

accommodation units be provided to members of the committee.

**7. ANY OTHER URGENT BUSINESS**

There were no other items of urgent business.