



*Meeting:* **Scrutiny Commission**

*Date/Time:* **Tuesday, 16 September 2014 at 2.00 pm**

*Location:* **Sparkenhoe Committee Room, County Hall, Glenfield**

*Contact:* **Mr. B. M. Smith (Tel: 0116 305 6036)**

*Email:* **ben.smith@leics.gov.uk**

### **Membership**

Mr. S. J. Galton CC (Chairman)

Mrs. R. Camamile CC    Mr. D. Jennings CC  
Mrs. J. A. Dickinson CC    Mr. P. G. Lewis CC  
Dr. R. K. A. Feltham CC    Mr. K. W. P. Lynch CC  
Dr. S. Hill CC    Mr. R. J. Shepherd CC  
Mr. Max Hunt CC    Mr. L. Spence CC

**Please note: this meeting will be filmed for live or subsequent broadcast via the Council's web site at <http://www.leics.gov.uk/webcast>  
– Notices will be on display at the meeting explaining the arrangements.**

### **AGENDA**

<u>Item</u>	<u>Report by</u>
1. Minutes of the meeting held on 11 July 2014.	(Pages 5 - 12)
2. Question Time.	
3. Questions asked by members under Standing Order 7(3) and 7(5).	
4. To advise of any other items which the Chairman has decided to take as urgent elsewhere on the agenda.	
5. Declarations of interest in respect of items on the agenda.	



6. Declarations of the Party Whip in accordance with Overview and Scrutiny Procedure Rule 16.
7. Presentation of Petitions under Standing Order 36.
8. Response to Petitions for and against Badger Culling in Leicestershire. Chief Executive and Director of Corporate Resources (Pages 13 - 20)
9. Reduction in Funding and Support to Agencies - Outcome of Consultation and Proposed Reductions to Funding. Chief Executive

A copy of the report to be submitted to the Cabinet at its meeting on 19 September 2014 will be available and circulated to members of this Committee on 10 September 2014. The Committee will be invited to comment on the outcome of the consultation and the proposals. The views of the Committee will be reported to the Cabinet.

10. 2014/15 MTFS Monitoring Period 4. Director of Corporate Resources (Pages 21 - 40)
11. 2014/15 Performance Report: Quarter 1. Chief Executive (Pages 41 - 56)
12. Date of next meeting.

The next meeting of the Commission is scheduled to take place on 10 October 2014 at 10.30 am.

13. Any other items which the Chairman has decided to take as urgent.

## **QUESTIONING BY MEMBERS OF OVERVIEW AND SCRUTINY**

Members serving on Overview and Scrutiny have a key role in providing constructive yet robust challenge to proposals put forward by the Cabinet and Officers. One of the most important skills is the ability to extract information by means of questions so that it can help inform comments and recommendations from Overview and Scrutiny bodies.

Members clearly cannot be expected to be experts in every topic under scrutiny and nor is there an expectation that they so be. Asking questions of 'experts' can be difficult and intimidating but often posing questions from a lay perspective would allow members to obtain a better perspective and understanding of the issue at hand.

Set out below are some key questions members may consider asking when considering reports on particular issues. The list of questions is not intended as a comprehensive list but as a general guide. Depending on the issue under consideration there may be specific questions members may wish to ask.

### **Key Questions:**

- Why are we doing this?
- Why do we have to offer this service?
- How does this fit in with the Council's priorities?
- Which of our key partners are involved? Do they share the objectives and is the service to be joined up?
- Who is providing this service and why have we chosen this approach? What other options were considered and why were these discarded?
- Who has been consulted and what has the response been? How, if at all, have their views been taken into account in this proposal?

### **If it is a new service:**

- Who are the main beneficiaries of the service? (could be a particular group or an area)
- What difference will providing this service make to them – What will be different and how will we know if we have succeeded?
- How much will it cost and how is it to be funded?
- What are the risks to the successful delivery of the service?

### **If it is a reduction in an existing service:**

- Which groups are affected? Is the impact greater on any particular group and, if so, which group and what plans do you have to help mitigate the impact?
- When are the proposals to be implemented and do you have any transitional arrangements for those who will no longer receive the service?
- What savings do you expect to generate and what was expected in the budget? Are there any redundancies?
- What are the risks of not delivering as intended? If this happens, what contingency measures have you in place?

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Minutes of a meeting of the Scrutiny Commission held at County Hall, Glenfield on Friday, 11 July 2014.

PRESENT

Mr. S. J. Galton CC (in the Chair)

Mrs. R. Camamile CC  
Dr. R. K. A. Feltham CC  
Dr. S. Hill CC  
Mr. Max Hunt CC  
Mr. D. Jennings CC

Mr. P. G. Lewis CC  
Mr. K. W. P. Lynch CC  
Mr. S. D. Sheahan CC  
Mr. R. J. Shepherd CC

112. Minutes.

The minutes of the meeting held on 4 June 2014 were taken as read, confirmed and signed.

113. Question Time.

The Chief Executive reported that no questions had been received under Standing Order 35.

114. Questions asked by members under Standing Order 7(3) and 7(5).

The Chief Executive reported that no questions had been received under Standing Order 7(3) and 7(5).

115. Urgent Items.

There were no urgent items for consideration.

116. Declarations of interest.

The Chairman invited members who wished to do so to declare any interest in respect of items on the agenda for the meeting.

Mr. S. D. Sheahan CC declared a personal interest in respect of item 11 on the agenda (minute 122 below refers) as a County Council appointee to the Ashby Canal Trust.

117. Declarations of the Party Whip in accordance with Overview and Scrutiny Procedure Rule 16.

There were no declarations of the party whip.

118. Presentation of Petitions under Standing Order 36.

The Chief Executive reported that no petitions had been received under Standing Order 36.

119. Mainstream Home to School Transport Policy.

The Scrutiny Commission considered a joint report of the Director of Environment and Transport, the Director of Children and Family Services and the County Solicitor, the purpose of which was to consider proposals to implement a new Mainstream Home to School Transport Policy, following the conclusion of two public consultations, which would be considered by the Cabinet, for approval, on 15 July 2014. A copy of the report, marked 'agenda item 8', is filed with these minutes.

In presenting the outcomes of the second consultation, the Director of Environment and Transport confirmed that the total number of responses received had fallen to 398 responses compared to that of 2,027 received in the first consultation. Whilst this suggested that the new proposals had addressed many of the concerns raised in the first consultation the proportion of the 398 opposed to the revised consultation proposals remained high.

The Director also confirmed that a petition containing 1385 signatures, presented by Mr L. Yates CC to the Scrutiny Commission on 30th April 2014, requesting the provision of transport to the nearest Leicestershire County Catchment school containing 1385 signatures had also been considered and it was noted that the revised policy proposals addressed its main concerns, as detailed in paragraphs 43 to 49 of the report.

The Chairman welcomed to the meeting Mr. P. C. Osborne CC, the Lead Member for highways and transportation.

Mr Osborne welcomed the opportunity to bring back the outcome of the second consultation to the Scrutiny Commission and was grateful to all those who had replied, including local members, to both consultations. He hoped the revised proposals would be seen as equitable and acceptable to everyone. and commended the frequently asked questions section of the report (appendix 7 to the report refers) which he hoped would help parents understanding of the issues raised.

Arising from issues raised by members regarding the appeals process against refusal of eligibility to transport assistance, the County Solicitor clarified the following points:-

- i) Individual appeals by parents were processed by a two stage system under the jurisdiction of the County Solicitor which covered both mainstream and special educational needs home to school transport. In the first instance parents could appeal to another officer who had not been involved in the original decision. If parents remained dissatisfied they then had a right to request a further appeal considered by a panel of three officers who had been independent of the decision making process up until that point;
- ii) There was no charge to parents who launched appeals to the local authority or via an academy as the provision of a free appeal service to parents was a statutory requirement. Where academy schools, which were independent of the local authority, had bought in its services, effectively as a traded activity the charge

levied by the Local Authority was at the flat rate recommended by the Department for Education. It was also to be noted that the Education Funding Agency provided funds to academy schools to manage their appeals process.

- iii) The County Council was required to follow a national scheme which required parents to express school preferences for their child by a date in October, with the final decision made and notified to parents by the end of March for secondary aged school transfers and during May for primary transfers. Only after those decisions were notified of allocation to nearest or second nearest school were parents expected to apply for school transport and places then allocated, which meant parents who appealed were not placed at a disadvantage in seeking transport availability. Should the consultation proposals be approved by the Cabinet, it was confirmed there were no plans for the process to change;

Arising from general discussion, the following points were also noted:-

- iv) The County Council's proposals remained better than the statutory minimum with primary school children receiving mainstream home to school transport when living further than two miles from the nearest school, rather than the statutory three;
- v) The requirement for home to school transport to be provided where there was no safe walking route to school for primary aged children under 2 miles and for secondary aged children under three miles remained and would not be affected should the revised proposals be approved. Following a request, the Director undertook to circulate the Safer walking Routes to School policy to members of the committee, for their information.
- vi) Consideration of the development of an ICT solution to require families to pro-actively apply for statutory home to school transport from the 2016/17 year onwards rather than being provided transport automatically as part of the current admissions process was designed to create efficiencies compared to the current paper based system. Members were assured that in seeking the procurement of an appropriate ICT system, it would be on the basis of being as accessible as possible for parents;
- vii) If schools changed their age range and/or catchment area which meant a different school was now closest to the pupil's home, transitional arrangements would be made for existing pupils to retain their transport provision whilst they remained at their school until their next appropriate transfer point. However, any new pupils entering the school would only receive transport to the new nearest school;
- viii) Overall, the policy proposals were expected to be cost neutral, with one additional post required in the Sustainable Travel Group for one year to support the transition from the old to new policy, to be managed within existing budgets;
- ix) Whilst the Government's policy had been to increase the number of independent schools free from the control of the local authority, provision of transport had remained the responsibility of the local authority rather than the school. In that light, the revised mainstream home to school transport policy proposals had been designed to be as clear and transparent as possible, allowing for a compromise of Leicestershire parents being able to obtain transport to a Leicestershire school but not putting the Authority's budget at risk or placing it at risk of being seen to discriminate between parents of children at different schools;

- x) A number of academies already provided their own school transport arrangements and had received advice and technical support from the County Council on how they might procure their own transport arrangements. For those schools which were most affected by the policy proposals, whilst the Authority was unable to provide additional transport on an exception basis which then could then be subject to review, advice and support was available to any academy which sought to run its own transport arrangements as a result of the policy proposals or for any other reason;
- xi) There remained concern that as a result of the Education and Skills Act 2008, requiring anyone up to the age of 18 to participate in full time education or training from 2015 onwards, a significant financial burden would be placed upon families of students requiring transport to attend further education;
- xii) It was welcomed that following the Notice of Motion, agreed on an all-party basis at the 2 July County Council meeting, a letter had now been sent to Central Government urging it to provide full funding to local authorities to enable them to extend the provision of free school transport to students aged 16-18 living further than three miles from their school.

In concluding its discussion the Committee expressed its support for the revised policy proposals, believing it represented a much improved approach following the initial consultation. Whilst it considered there remained legitimate concerns for some individual schools, the Committee noted that if the Authority was to amend its policy proposals further it would then leave it open to challenge for treating one school more favourably than another. Should the policy be approved by the Cabinet, the Committee wished for the Authority to provide as clear and concise advice as possible to help parents in understanding the new arrangements, both in terms of process and their transport entitlement in the future.

RESOLVED:

- a) That the revised proposals for implementing a new Mainstream Home to School Transport Policy, as detailed in the report to Cabinet, be supported;
- b) That the comments of the Scrutiny Commission as outlined above be submitted to the Cabinet for its consideration at its meeting on 15 July 2014.

120. Communities Strategy.

The Commission considered a report of the Chief Executive, the purpose of which was to seek the Commission's comments on the Council's draft Communities Strategy. A copy of the report, marked 'Agenda Item 9', is filed with these minutes.

The Chairman welcomed Mrs. P. Posnett CC, Lead Member for Communities to the meeting.

Arising from discussion, the following principal points were noted:

- i) The draft Communities Strategy recognised that due to austerity, the County Council had to refocus its resources on delivering its statutory responsibilities, core



functions, and protecting the most vulnerable people in Leicestershire. The Strategy also sought to make best use of the remaining resources still available to the Council to focus on helping communities to support individuals and families in most need, and enabling community groups to provide services for their communities, including services that the County Council could no longer afford to provide;

- ii) There was some concern expressed as to whether there was a sufficient number of volunteers available to support the Council's intentions to reduce the demand on public services and use community volunteers to help design and deliver some services that it currently provided;
- iii) As such, members considered that capacity building of volunteers could be helped through a re-focusing of the support contract the Authority held with the Rural Community Council to ensure a greater amount of support to urban and built up un-parished areas. It was considered the development of community champions would also help in this regard, as would the cascading of information through District Voluntary Sector forums and via other networks such as Residents' Associations;
- iv) In seeking to broaden the pool of volunteers in Leicestershire, the Strategy would also seek to link in to the work and skills agenda, i.e. helping unemployed volunteers develop particular skill sets that could help them back into work;
- v) With regard to supporting community groups in delivering relevant services that the County Council may no longer be able to support, for example rural libraries, such support could include providing assistance to community groups in the recruitment of volunteers and providing a level of tapered infrastructure support;
- vi) It was acknowledged that the level of support that the County Council needed to provide in support to community groups may differ between localities. In all cases where support was considered, an equality impact assessment would be undertaken;
- vii) A criticism of the Government's Big Society policy had been that it was very aspirational but difficult to measure in terms of performance outcomes. The intention of the draft Communities Strategy was to be more focussed and measurable, through the production of a delivery plan and targeted outcomes such as service devolution;
- viii) An all-member briefing would be held as part of the consultation on 7 August, prior to Cabinet considering the consultation outcome on 14 October 2014.

#### RESOLVED:

- a) That officers be requested to take into account the Scrutiny Commission's comments now made as part of the consultation process for the draft Communities Strategy;
- b) That a further report on the outcome of the consultation exercise be considered by the Scrutiny Commission prior to consideration by the Cabinet at its meeting on 14 October 2014.

121. Property Energy Strategy.

The Scrutiny Commission considered a report of the Director of Corporate Resources which set out the proposed strategy and recommendations as to how energy was to be procured, planned and managed for the County Council's property resources, which would be considered by the Cabinet on 15 July 2014, for its approval. A copy of the report, marked 'agenda item 10, is filed with these minutes.

Arising from discussion, the following principal points were noted:

- i) The acknowledgement in paragraph 21 of the report of the Council's current weak position with regards to energy management and performance of its property resources reflected that in the past, energy quality criteria had a minor impact on the design and construction of buildings generally, including those which the County Council had decided to build and operate from. The proposals within the Property Energy Strategy to move from that weak position to one of strength and control was to be welcomed;
- ii) The planned savings of at least £395,000 through to 2016/17 had already been factored in to the MTFS, but if further savings could be generated as a result of energy efficiency they would be pursued;
- iii) The greatest opportunity for focussing effort to reduce and change current energy consumption levels was focussed around the three largest corporate buildings (which accounted for more than 50% of the total energy costs of corporately managed properties);
- iv) However, all corporate managed properties would continue to be reviewed as part of the strategy and their energy performance monitored. Where buildings were under performing and didn't have the capacity to improve they were likely to be disposed of at the opportune time when they could achieve a desirable market value.

RESOLVED:

- a) That the comments of the Scrutiny Commission as outlined above be submitted to the Cabinet for its consideration on 15 July 2014;
- b) That the Director of Corporate Resources be requested to present a report back to the Commission in 18 months, detailing progress in meeting the budget and performance monitoring targets contained in section 6.2 of the proposed Property Energy Strategy 2014.

122. 2013/14 Provisional Revenue and Capital Outturn.

The Commission considered a report of the Director of Corporate Resources which set out the provisional revenue and capital outturn for 2013/14, a copy of which is filed with these minutes, marked 'agenda item 11'.

Arising from discussion, it was noted that:

- i) the Authority had made progress in achieving its savings in the Medium Term Financial Strategy, but that austerity would continue until at least 2018/19, with additional savings of an estimated £27.5m likely to be required by 2018/19;
- ii) Expenditure incurred in respect of the capital outturn was 97% which was a good outcome compared to the target of 95%;
- iii) There was concern that the Adults and Communities Department, whilst delivering the £12.4m targeted level of savings in 2013/14, had overspent its budget by £4.6m, although it was noted that this was as a result of financial pressures due to an ageing population and pricing pressures;
- iv) Scrutiny of financial performance within the current financial year would be kept under review at the next meeting of the Commission, at which it would receive its first budget monitoring report for 2014/15.

RESOLVED:

That the report be noted.

123. Date of next meeting.

NOTED:

That the next meeting of the Commission, currently scheduled for Wednesday 3 September, was likely to be postponed to a later date.

***[Following the meeting it was confirmed that the next meeting would take place on Tuesday 16 September 2014 at 2.00 pm.]***

2.00 - 4.40 pm  
11 July 2014

CHAIRMAN

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**SCRUTINY COMMISSION - 16 SEPTEMBER 2014**

**JOINT REPORT OF THE CHIEF EXECUTIVE AND DIRECTOR OF  
CORPORATE RESOURCES**

**RESPONSE TO PETITIONS FOR AND AGAINST BADGER CULLING**

**Purpose of Report**

1. To provide a response to issues raised in petitions to the County Council for and against badger culling in Leicestershire.

**Policy Framework and Previous Decisions**

2. The Petitions Scheme for Leicestershire County Council is set out in Part 10 of the Constitution. The Scheme states that where the petition is something over which the Council has no direct control, it may consider making representations on behalf of the community to the relevant body.

**E- Petitions received for and against the Culling of Badgers in response to the Control of bovine Tuberculosis (bTB)**

3. An e-petition hosted on the County Council's website from 16/01/2014 to 25/08/2014, started by the Lead Petitioner Sarah Ellis and signed by 177 people in the following terms:

**Save Leicestershire County Council's Badgers from Culling**

**We the undersigned petition the Council to prohibit the culling of badgers on council owned land and invest in vaccination programmes locally. We ask this because we believe culling to be inhumane, inefficient and unscientific.**

This is a national issue which will be of direct concern to the people of Leicestershire County Council when DEFRA "rolls out" its culling policy in 2014. The object of the petition is to ensure that Leicestershire County Council's badger population is as safe as possible from slaughter and that the already available injectable badger vaccine against bTB is used in as many cases as possible. We ask this because we believe the culling policy is inhumane (DEFRA's measurements of "humaneness" is to time the screams of wounded badgers), inefficient (previous culls showed an increase in bTB because of badger movement) and unscientific (the majority of scientific opinion hold that a cull will have "no meaningful result").

4. A second e-petition was hosted on the County Council's website from 15/04/2014 to 25/08/2014, started by the Lead Petitioner Dennis Walker and signed by one person in the following terms:

**Support badger culling**

**We the undersigned petition the Council to support the culling of badgers on council owned land as it is not only good for prevention of spreading disease to cattle, it also helps protect other wildlife which is at risk from the over population of badgers.**

Badger culling is not only good for prevention of spreading disease to cattle, it also helps protect other wildlife which is a risk from the over population of badgers.

**Background**

5. Bovine TB is a serious infectious disease of cattle. The bacterium can also infect a number of other species including badgers and deer. Humans can contract bovine TB, primarily from drinking unpasteurised milk, and it is not considered a significant threat to public health. Badgers are known to act as a reservoir for infection of cattle. Over the years, there have been a number of trials of the effectiveness of control through badger culling.
6. In the 1970s, gassing and snaring were used, but are now considered inhumane and of limited effectiveness.
7. In 1986 the *UK Randomised Badger Culling Trials (RBCT)* or '*Krebs Trials*' were carried out. Badgers were reactively trapped and shot from farms with bovine TB. In spite of this, TB increased and the disease returned to areas from which it had been absent for a long period of time. Subsequent studies showed that the strategy was likely to have contributed to the spread of the disease. Proactively culling badgers from a wider area was successful in reducing TB within the culled area, but increased the incidence outside it. The problem is that the culling of badgers disrupts their territorial behaviour, causing them to colonise areas where they were not previously present, and to rapidly recolonize the culled areas. Culling can therefore help some farmers but make things worse for others on the edge of the culling area.
8. In 2007, the Independent Science Group (ISG) set up by DEFRA published their final report on culling. Their conclusions were that '*while badgers are clearly a source of cattle TB, careful evaluation of our own and others' data indicates that badger culling can make no meaningful contribution to cattle TB control in Britain. Indeed, some policies under consideration are likely to make matters worse rather than better.*' In response, the Government's scientific advisor Sir David King published a report that recommended that '*large-scale badger culls in those areas most affected by bovine TB were the most effective way to control the disease*'. To find a way forward amidst these conflicting views, in 2008 the Environment, Food and Rural Affairs Select Committee carried out its own inquiry into the findings of both reports. Their conclusion was that '*it is possible that culling could make a contribution towards the reduction in incidence of cattle TB in hot spot areas. . . However, there is a significant risk that any patchy, disorganised or short-term culling could make matters worse.*'

For effective culling, they concluded that it should be done competently and efficiently, be co-ordinated, and cover as large an area as possible.

9. In 2013, a trial of culling by shooting took place in a large area of Somerset and Gloucestershire. The aim was to remove at least 70% of badgers over 6 weeks, in such a way that 95% of badgers died within 5 minutes of being shot. The Independent Expert Panel (IEP), set up to monitor effectiveness and humaneness of the trial, concluded that shooting alone or in combination with trapping did not deliver the culling target, and that more than 5% of badgers lived longer than 5 minutes after shooting, increasing the likelihood of suffering. There were many concerns about the gathering and monitoring of data and of the coordination and competency of some of the culling contractors. The Government has responded and accepted the majority of the IEP's findings, but is intending to continue with the trials in these areas.
10. Other Bovine TB control measures include restrictions on cattle movement, testing, slaughter of infected herds, biosecurity measures to reduce badger-cattle contact, and vaccination of badgers. The Welsh Assembly Government has a badger vaccination programme, and the Food and Environmental Research Agency (FERA), Gloucestershire Wildlife Trust, the RSPB, the Wildfowl and Wetlands Trust, the National Trust and other conservation organisations are all trialling vaccination of badgers by injection. It is too soon to know how effective this will be at reducing infection in cattle.
11. Incidents of Bovine TB have been recorded in Leicestershire (including on County farms), and it is present in neighbouring counties to the west, so there is a risk in the short or medium term of the disease spreading into our county. Leicestershire herds are currently on an annual TB testing regime to ensure early detection of any infected cattle.  
See <http://www.defra.gov.uk/ahvla-en/disease-control/bovine-tb/tb-testing-intervals-2014/> for the latest position on this.

### **Scientific Evidence**

12. The scientific evidence of successive independent panels (see references attached as Appendix A to this report) endorses the view that badger culling is ineffective, can make matters worse for some farmers, and can be inhumane.

### **Culling on Private Land**

13. 2011 DEFRA guidance to Natural England in respect of 'Licences to kill or take badgers for the purpose of preventing the spread of bovine TB under section 10(2)(a) of the Protection of Badgers Act 1992'<sup>1</sup> states in Section 9 i) that:-

"All land holders, unless the agreement states otherwise, must enter into agreements with Natural England under section 7 of the NERC Act (the "TB Management Agreement" requiring them to permit access to their land for culling (including by

<sup>1</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/69464/pb13692-bovinetb-guidance-ne.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/69464/pb13692-bovinetb-guidance-ne.pdf)

Government) and to take appropriate biosecurity measures (as required in paragraph 9b), and agreeing that Government can recover any additional costs of culling.

Where land is tenanted, the freeholder owners (or landlords) must generally also sign an undertaking appended to this agreement agreeing to permit access to the land for culling (including by Government)..."

#### County Council Tenanted Farms and Country Parks

14. The County Council is the owner and landlord to a number of County Farms in Leicestershire, extending to over 7,000 acres and also manages many Country Parks and green spaces around the County.
15. The 2011 guidance set out in paragraph 13 above is suggestive that the County Council's consent is likely to be required, or at the least its views sort, should DEFRA extend pilot culls to Leicestershire, or indeed approve culls on a nationwide basis in the future.
16. However, with regard to tenanted County farms, there are no clauses in existing Tenancy Agreements whereby the County Council could compel Tenants not to allow culling to take place on their holdings. Current agreements refer to the Badgers Act 1992 (which afford badgers protection from hunting, baiting, etc), but the Act is effectively suspended in cull areas by order of Parliament.
17. In addition, by prohibiting culling the County Council could open itself up to claims relating to business losses incurred as a result of bTB incidents; as it is, it would be at the Tenants' risk, as the County Council would allow all reasonable, legal, measures to control the spread of and protect from disease on the holding.
18. In respect of the considerable land holdings within the County Council's ownership which are not tenanted (including but not limited to country parks) this would be a different matter, and in these cases it would be appropriate for the County Council to assess each "application" on a case by case basis, although it would not be considered desirable to enter in to any financial responsibility by permitting culling on or through County Council owner occupied land holdings.

#### Equal Opportunities Implications

19. None.

#### Conclusions

20. It is too early to say how effective local badger vaccination will be at controlling TB in cattle, but backed up by continuation of other national measures such as cattle movement restriction and biosecurity, it is the most promising line to pursue. There is no evidence that badgers are putting other wildlife at risk, or that control of badgers will be in the interests of wildlife conservation; they are an integral part of our national biodiversity.



21. It is considered appropriate for the County Council to consider such requests for culling on its country parks and other owned land on a case by case basis should DEFRA extend its pilot culls to Leicestershire and/or nationwide, taking into account the consideration of scientific evidence at that time, Government advice, views of local stakeholders.
22. However, it is to be noted that for County Farms, it would be the tenants' responsibility to consider requests for culling themselves, with support from the County Council as appropriate.

### **Recommendations**

23. It is recommended that the Scrutiny Commission:-
- a) Notes that the merits for and against badger culling as a means of reducing TB in cattle continue to be informed by expert scientific evidence and that any requests for culling on County Council owned land that may result in the future would be considered on a case by case basis;
  - b) That the views set out in the two e-petitions be forwarded to DEFRA as the overall 'responsible body' for this matter, for its consideration;

### **Resource Implications**

24. None.

### **Circulation under the Local Issues Alert Procedure**

25. None.

### **Officers to Contact:**

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0116 305 6926

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**Scientific Evidence References**

AVHLA (2014) Monitoring the efficacy of badger population reduction by controlled shooting during the first six weeks of the pilots. Report to Defra  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/300383/ahvla-efficacy-report.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/300383/ahvla-efficacy-report.pdf)

ISG (2007) Bovine TB: The Scientific Evidence - A Science Base for a Sustainable Policy to Control TB in Cattle.  
An Epidemiological Investigation into Bovine Tuberculosis. Final Report of the Independent Scientific Group on Cattle TB to the Secretary of State for Environment, Food and Rural Affairs  
[http://archive.defra.gov.uk/foodfarm/farmanimal/diseases/atoz/tb/isg/report/final\\_report.pdf](http://archive.defra.gov.uk/foodfarm/farmanimal/diseases/atoz/tb/isg/report/final_report.pdf)

IEP (2014) Pilot Badger Culls in Somerset and Gloucestershire: Report by the Independent Expert Panel to the Secretary of State for Environment, Food and Rural Affairs  
<https://www.gov.uk/government/publications/pilot-badger-culls-in-somerset-and-gloucestershire-report-by-the-independent-expert-panel>

DEFRA (2014) Defra response: Pilot Badger Culls in Somerset and Gloucestershire: Report by the Independent Expert Panel  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/300424/pb14158-defra-response-independent-expert-panel.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/300424/pb14158-defra-response-independent-expert-panel.pdf)

Badger Culling - Commons Library Standard Note, October 2012  
<http://www.parliament.uk/briefing-papers/SN05873>

Bovine TB and Badgers - Commons Library Standard Note, February 2011 (UK Randomised Badger Culling Trial)  
<http://www.parliament.uk/briefing-papers/SN03751>

Science Media Centre Fact Sheet – Badger Cull  
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## **SCRUTINY COMMISSION - 16 SEPTEMBER 2014**

### **REPORT OF THE DIRECTOR OF CORPORATE RESOURCES**

#### **2014/15 MEDIUM TERM FINANCIAL STRATEGY MONITORING (PERIOD 4)**

##### **Purpose of Briefing**

1. To provide members with an update on the 2014/15 revenue budget and capital programme monitoring position.

##### **Policy Framework and Previous Decisions**

2. The 2014/15 revenue budget and the capital programme for 2014/15 to 2017/18 were approved by the County Council at its budget meeting on 19 February 2014 as part of the Medium Term Financial Strategy (MTFS). The MTFS is monitored throughout the financial year.

##### **Background**

3. The 2014/15 revenue budget and the capital programme for 2014/15 to 2017/18 were approved by the County Council at its budget meeting on 19 February 2014 as part of the Medium Term Financial Strategy.
4. The latest revenue budget monitoring exercise shows a net projected underspend of £3.7m, as summarised in Appendix 1. Details of major variances are set out below.
5. The latest capital programme monitoring exercise shows forecast spending to be in line with the total available resources.
6. Paragraph 35 below sets out a proposal to use the projected underspend to continue the voluntary repayment of debt to achieve ongoing revenue savings.
7. The monitoring information contained within this report is based on the pattern of revenue and capital expenditure and income for the first four months of this financial year. As a result the forecasts should be regarded as initial indications.

## **REVENUE BUDGET**

8. The results of the latest revenue budget monitoring exercise are summarised in Appendix 1.

### **Children and Family Services (C&FS)**

#### **Dedicated Schools Grant**

9. A net underspend of around £0.7m is currently forecast mainly relating to Special Educational Needs, pending further details on leavers. This net underspend will not impact on the General County Fund as under the terms and conditions of Dedicated Schools Grant any underspend must be allocated to the following year's Schools Budget.

#### **Other Children and Family Services**

10. There is a net forecast overspend of around £0.8m (1.3%). There is a projected overspend on the Placement Budget of £2.5m. This budget pressure refers to those children placed in placements commissioned from the independent sector, principally independent fostering agencies as in-house, and less expensive, provision is currently saturated. This position is similar to the pattern of projections last year and was mitigated by the budget controls that were put in place. This approach will be taken again this year and will be further strengthened by short and medium term measures.
11. The Department is taking short and medium term actions to offset the overspend on the Placement budget, including:
- Management tracking of each child's case to ensure these are progressed in a timely manner;
  - Strengthening the accountability of budget holders;
  - Focused work on a cohort of 22 children's cases that represent an opportunity to reduce their placement costs whilst continuing to provide care that is effective for that child;
  - Focused work on groups of current providers of independent fostering services that are providing placements for groups of children to drive out savings;
  - Recruit additional in house foster carers and consider the use of an external agency to assist, possibly on a payment by results basis;
  - Investigate regional commissioning of placements to drive down costs through the use of a framework contract.
12. In the medium term, following the approval of a new strategic approach by the Cabinet in December 2013, the department is implementing a new Fostering and Adoption recruitment plan with a view to achieving an increased diverse 'bank' of foster carers, and implementation of the placement commissioning strategy ('Choices'), which will establish a deliberate approach to commissioning services for children in the care of the Council that will be more cost effective. Savings have also been identified in other services which have

reduced the projected net overspend and the Department is seeking to make further savings to offset the remaining balance during the remainder of the year.

13. The 2014/15 budget includes an increase of £3.2m to offset the reduction in Early Intervention Grant and for potential additional costs on former Early Intervention Grant issues, particularly regarding the expansion of the offer of free education to include two year olds in care and those with special needs. This increase is funded by the use of a balance of £3.2m in the Early Intervention Grant earmarked fund. It is anticipated that an element of the £3.2m will not be required in 2014/15. The situation will be kept under review and the CFS budget will be amended if necessary later in the year.

### **Adults and Communities**

14. Growth of £2.5m was included in the 2014/15 budget to mitigate some of the demographic and efficiency shortfall issues materialising in 2013/14. Pressures are continuing into 2014/15 and a net overspend between £3.5m and £5m is currently forecast with £3.8m (2.8%) predicted as the most likely, albeit with some risks. This position is after uplifting demand budgets by £3m to reflect inflationary pricing pressures. A range is being quoted at this time to reflect current reporting and data challenges following whole scale systems change (implementation of IAS from SSIS) coupled with significant Department of Health changes to statutory reporting.
15. The key forecast overspends are noted below.

- Residential care home placements (forecast net overspend £0.8m)

The overall number of placements made in care homes has not increased, but the average cost of each placement is higher. The reasons for this are the increasing frailty and dependency of older people at the time they enter a care home, and increased complexity of need of younger disabled people requiring a care home placement.

- Supported living and ordinary residence (forecast overspend £1.1m)

The number of new placements is expected to exceed the growth that had been included in the MTFS. In addition to this, a number of existing placements were identified where the funding position between the County Council and neighbouring Councils was unclear due to ordinary residence rules. This resulted in a review of the relevant funding responsibilities of each council and the transfer (in both directions) of the funding of some of these cases. The net position resulted in an increased cost for the County Council.

- Home care (forecast overspend £1.3m plus up to £1.5m further risk)

Increased levels of demand and above inflationary pricing pressures have seen homecare costs increase by over 5% year on year. Demand pressures are a result of service user's increasing levels of need. Above inflationary pricing pressures are being driven by sector wide issues of capacity shortage and increasing wage costs being experienced by providers, relating to staff travel and other incentives to recruit and retain skilled staff.

- Direct payments/cash budgets (forecast overspend £0.7m)

The increases in direct payments are for similar reasons to those for home care. The increased level of spend on direct payments should, however, be mirrored by a decrease in the volume of care commissioned by the Council. The fact that both are increasing is indicative of rising demand and cost pressures.

- Shortfall in achieving MTFS savings targets (£0.7m)

A shortfall in achieving savings has arisen due to delays in implementing plans for delivery. This is partly linked to the need to undertake public consultation and statutory changes relating to services such as Deprivation of Liberty. The key risks relate to in-house and other service reviews; libraries and museums and "Limiting service users choice of support to the most cost effective option". Some mitigating savings have been sourced already (short term Communities and Wellbeing and early delivery of the Prevention Review) and the department is looking to identify other areas of savings to compensate for the remaining shortfall.

16. The overspends above are partially offset by underspends in other areas, including:

- Homecare Assessment and Reablement Team - an underspend of up to £0.4m is forecast due to vacancies;
- Implementation of the Prevention Review has resulted in savings being delivered early, exceeding the MTFS target by £0.4m.

17. A number of other actions are being undertaken:

- Increased management controls for higher cost care home placements and high cost home care packages through an immediate change to delegated powers. All higher cost care placements and packages (including those for the highest banding for older people), will be subject to an enhanced level of senior management oversight and control;
- Increased control of care home placements and home care package costs post hospital discharge. Existing arrangements for deciding on care home placements and the size of home care packages following a



hospital discharge will be reviewed. This will require careful discussion with NHS partners to ensure a balance between controlling costs and supporting safe and timely discharges;

- A robust approach to claw back of personal budget underspends has been implemented to ensure that any unused cash balances accruing from cash personal budgets are clawed back and ongoing reductions are made in the personal budget allocation. To date £76,000 of savings have been achieved;
- Re-phasing of ordinary residence transfers and review of supported living costs. Further discussions will take place with neighbouring Councils to seek a longer time to complete the transfer of cases, and thus reduce the budget pressure in the current year;
- Underspends will be maximised in staffing budgets through continuing vacancy control;
- Consideration will be given to commissioning an independent review of placement and care package costs.

### **Public Health**

18. Following the transfer of Public Health budgets from the NHS, a review of contracts has resulted in a number of opportunities to reduce the cost of services procured through scrutiny of transferred commissioned services. This means that a saving of c£1m is likely to be realised in 2014/15 which provides the opportunity to bring forward MTFS savings targets in 2015/16 of £0.5m rising to £1m in 2016/17. Preventative spend elsewhere in the Authority suitable for substitution will be identified and evaluated through a prioritisation tool to assess its Public Health value compared to other opportunities.

### **Environment and Transportation**

19. The Department is forecast to underspend by around £0.35m (0.4%). A net overspend on Waste budgets and an overspend on Special Education Needs Transport are offset by underspends on Concessionary Travel and Mainstream School Transport budgets.

### **Chief Executives**

20. The Department is forecast to have a net underspend of £0.38m (3.3%), mainly relating to the early achievement of savings in Democratic Services, staff vacancies and increased income.

### **Corporate Resources**

21. The Department is forecast to have a net underspend of around £0.58m (1.7%), mainly relating to Trading Services over-performance against targets, staffing underspends and increased income.

### **Contingencies**

22. A contingency of £4m was made against delays in the achievement of savings. Given the forecast overspends on Children and Family Services and Adults and Communities, the contingency is shown as an underspend to offset those overspends.
23. A provision of £3m was made for severance/invest to save issues. If the requirement is less during the year, the balance will be transferred to the Transformation earmarked fund to meet costs in future years.
24. A contingency of £6.0m was made for inflation, of which £3.5m has been allocated regarding residential care charge increases, inflation on premises and ICT budgets and for several other minor items. Pressures are expected on other areas including pay, insurance and waste budgets.

### **Central Items**

25. Bank and other interest is forecast to be £0.1m higher than the original budget, due to balances being higher than anticipated.
26. An underspend of £0.5m is forecast on the Financing of Capital budget, arising from the voluntary repayment of debt of £8.4m in 2013/14, funded from the net underspend at year end.
27. The Financial Arrangements budget is forecast to underspend by £0.4m, mainly due to the receipt of a rebate on a centralised agency arrangement and lower than budgeted external audit fees. These underspends are partially offset by expenditure of around £52,000 regarding County Council contributions of 75% towards the costs of a review of Single Person Discount cases undertaken by six of the District Councils in conjunction with a third party. This major review revealed over 2,800 individuals were taking advantage of the 25% rebate when they were ineligible. It means that the County Council, District Councils and the Police and Fire authorities will all benefit from extra council tax revenue estimated to be in the region of £900,000. The County Council's share is around £650,000.
28. In 2013/14 the County Council agreed to contribute £125,000 for additional administrative costs and £250,000 towards Discretionary Discount Funds (DDF) to the District Councils, following changes made under the Localisation of Council Tax Support (LCTS) reforms.
29. The final position on the DDF for 2013/14 showed that only 17% had been allocated and that £208,000 of the County Council's £250,000 2013/14

contribution was carried forward to fund DDF in 2014/15. It was anticipated that calls on the DDF in 2014/15 could potentially be higher than in 2013/14 as all Districts other than Harborough have increased the caps that apply in their 2014/15 LCTS schemes.

30. The results of a monitoring exercise after the first quarter show that there has been a marked increase in claims on the DDF. However, it appears likely that the DDF monies carried forward from 2013/14 will be adequate to fund the DDF requirements in 2014/15 and consequently the £250,000 additional funding in 2014/15 is forecast to be unspent. The scale of DDF required in later years will be reviewed with the Districts in the autumn and reflected in the 2015 MTFs.

### **Business Rates**

31. The Government introduced the Business Rates Retention system from April 2013. The business rates "baseline" ("local share") income which is to be collected during 2014/15 is based on a formal return submitted to the Government by the Districts, and this shows an increase of £0.4m compared with the budget in the current MTFs. Any shortfall in the level of actual 2014/15 income will impact on 2015/16 or later years.
32. At the time of the compilation of the MTFs there were uncertainties on a number of issues, including the levels and treatment of potential appeals, and the MTFs included a £1m reduction to reflect those uncertainties. A separate contingency is now shown for £1m to reflect potential shortfalls in business rates income impacting in later years.
33. Additional Section 31 Grants of £1.35m are anticipated regarding compensation for the loss of business rate income arising from a number of Government policy decisions, including a further extension of the temporary increase in Small Business Rate Relief and the 2% cap on the business rates multiplier in 2014/15, rather than applying the September RPI increase of 3.2%.
34. The County Council is undertaking quarterly monitoring with the District Councils, Leicester City Council and Rutland County Council to assess the position and also to model the possibility of reforming the Leicester and Leicestershire Business Rates Pool in 2015/16.

### **Revenue Summary / Invest To Save Proposal**

35. A net revenue underspend of £3.7m has been identified. The approach to underspends during the period of austerity has been to use funds to reduce liabilities (and associated future costs), fund Invest to Save projects and provide resources for one-off investment for Council priorities. It is proposed to continue this approach and that the potential underspend be used to fund the voluntary repayment of debt, leading to savings in future years on the financing of capital budget. It is worth noting that there could be requests for additional funding for vehicle replacement.

**CAPITAL PROGRAMME**

36. The table below shows a revised budget of £60.0m. The change in resources reflects slippage from 2013/14 and additional resources in 2014/15.

Department	Original Budget £m	Outturn adjustment and Changes in Funding £m	Revised Budget £m	Forecast £m	Revised Budget v Forecast Variance £m
Children & Family Services*	12.4	0.4	12.8	12.8	0.0
Adults and Communities	1.6	0.2	1.8	1.8	0.0
E&T-Transportation	29.3	3.9	33.2	33.0	-0.2
E&T-Waste Management	0.6	0.1	0.7	0.7	0.0
Chief Executive's	3.8	0.4	4.2	4.1	-0.1
Corporate Resources	2.7	1.0	3.7	3.7	0.0
Corporate Programme	3.6	0.0	3.6	3.6	0.0
<b>Total</b>	<b>54.0</b>	<b>6.0</b>	<b>60.0</b>	<b>59.7</b>	<b>-0.3</b>

\*Excludes Devolved Formula Capital (DFC)

**Children and Family Services**

37. The forecast expenditure is in line with the budget.

**Adults and Communities**

38. The forecast expenditure is in line with the budget.

**Environment and Transport – Transportation Programme**

39. The latest forecast shows an underspend of £0.2m compared with the revised budget.
40. The main areas of variances relate to the Active & Sustainable Travel underspend of (£0.2m) on Stephenson's Way, Coalville due to lower than anticipated costs, and Green Lane, Coalville due to slippage from improvement to the roundabout.
41. The Department for Transport (DfT) on 18<sup>th</sup> July 2014 awarded additional capital grant funding of £2.6m for Pothole repairs. The funding will be spent across a variety of locations within Leicestershire on patching and carriageway surfacing, joint sealing and other general maintenance works that will ultimately result in there being fewer potholes in the county.

42. The DfT has also recently announced one of the two elements of the Local Transport Plan (LTP) capital funding for 2015/16. The Integrated Transport element for 2015/16 is £2.7m, compared with £4.9m included in the provisional 2015/16 Capital Programme. The County Council is awaiting details of the Maintenance grant element which is expected to be increased to compensate for the difference. The position will be reviewed as part of the 2015 MTFS planning.
43. Further funding for transport improvement schemes is unclear at the moment due to uncertainties about the funding that will be received from the Single Local Growth Fund, managed and distributed by the Leicester, Leicestershire Economic Partnership (LLEP). The LLEP has received only a quarter of the amount it bid for (£60m compared with a bid of £240m) for the period 2015 – 2020.

### **Environment and Transport – Waste Management**

44. The forecast expenditure is in line with the budget.

### **Chief Executive's**

45. Overall slippage of £0.1m is forecast, mainly due on the Rural Capital Programme. It is unlikely that Year 3 of the programme (2014/15) will be required as there are other (similar) grant schemes that are supported with Leicester City Council and the LLEP which are funded from the Regional Growth.
46. The County Council has confirmed its agreement to proceed with proposals for the Kegworth Community Centre Village Hall extension and Community Centre disposal. The County Council's contribution has increased to £44,000 (including a £10,000 contingency) due to less than anticipated external grant contributions. This increase will be funded from in year underspends within the Chief Executives revenue budget. The scheme is included in the Chief Executives 2014/15 capital programme.

### **Corporate Resources**

47. The forecast expenditure is in line with the budget.

### **Corporate Programme**

48. The forecast expenditure is in line with the budget.

### **Capital Receipts**

49. The forecast of total capital receipts in 2014/15 is £9.0m. The amount required to fund the 2014/15 capital programme is £5.6m leaving a balance of £3.4m; this will be carried forward to fund the 2015-19 MTFS capital programme.

### **Capital Summary**

50. The revised capital programme totals £60.0m and is forecast to underspend by £0.3m. At this stage it is projected that spending will be 99.5% of the revised budget. Overall the aim is that 95% of available resources should be spent in year.

### **Recommendation**

51. The Scrutiny Commission is asked to note the contents of this report.

### **Background Papers**

Report to County Council – 19 February 2014 – Medium Term Financial Strategy 2014/15–2017/18

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=134&MId=3961&Ver=4>

### **Circulation under the Local Issues Alert Procedure**

None.

### **Appendices**

Appendix 1 – Revenue Budget Monitoring Statement

Appendix 2 – Revenue Budget – Forecast Main Variances

Appendix 3 – Capital Programme – Forecast Main Variances

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### **Equal Opportunities Implications**

No direct implications.

**REVENUE BUDGET MONITORING STATEMENT**  
**FOR THE PERIOD : APRIL 2014 TO JULY 2014**

	Updated Budget	Projected Outturn	Difference from Updated Budget		
	£000	£000	£000	%	
<b><u>Schools Budget</u></b>					
Delegated	137,394	137,394	0	0.0	
Centrally Managed	58,842	58,152	-690	-1.2	
Dedicated Schools Grant (DSG)	-195,549	-195,549	0	0.0	
DSG Reserve (original budget)	-687	-687	0	n/a	
	<u>0</u>	<u>-690</u>	<u>-690</u>	<u>n/a</u>	GREEN
<b><u>LA Budget</u></b>					
Children & Family Services (Other)	61,769	62,589	820	1.3	AMBER
Adults & Communities	136,456	140,256	3,800	2.8	RED
Public Health *	0	0	0	0.0	GREEN
Environment & Transport	77,984	77,634	-350	-0.4	GREEN
Chief Executives	11,529	11,149	-380	-3.3	GREEN
Corporate Resources	34,029	33,449	-580	-1.7	GREEN
DSG (Central Dept recharges)	-922	-922	0	0.0	GREEN
Carbon Reduction Commitment	455	455	0	0.0	GREEN
Corporate Growth & Savings	1,360	1,360	0	0.0	GREEN
Contingency for efficiency savings	4,000	0	-4,000	-100.0	GREEN
Transformation / Severance	3,000	3,000	0	0.0	GREEN
Contingency for inflation	2,482	2,482	0	0.0	GREEN
Contingency for business rates	1,000	1,000	0	0.0	GREEN
Total Services	<u>333,142</u>	<u>332,452</u>	<u>-690</u>	<u>-0.2</u>	
<b><u>Central Items</u></b>					
Bank & Other Interest	-1,000	-1,100	-100	10.0	GREEN
Financing of Capital	25,170	24,700	-470	-1.9	GREEN
Repayment of Debt / MRP	5,200	5,200	0	0.0	GREEN
Revenue Funding of Capital	4,000	4,000	0	0.0	GREEN
Financial Arrangements etc	50	-340	-390	n/a	GREEN
Members Exps & Support etc.	1,369	1,329	-40	-2.9	GREEN
Provision for future Elections	200	200	0	0.0	GREEN
Flood Defence Levies	273	273	0	0.0	GREEN
Pension Costs	2,000	2,000	0	0.0	GREEN
Council Tax Freeze Grant	-2,440	-2,450	-10	0.4	GREEN
Local Support Services Grant	-650	-650	0	0.0	GREEN
Contribution to Discretionary Discounts & Admin	375	125	-250	-66.7	GREEN
New Homes Bonus Grant	-2,375	-2,375	0	0.0	GREEN
New Homes Bonus - element of top slice returned	-190	-190	0	0.0	GREEN
Education Services Grant	-5,000	-5,000	0	0.0	GREEN
Total Central Items	<u>26,982</u>	<u>25,722</u>	<u>-1,260</u>	<u>-4.7</u>	
Contribution from Earmarked Funds	-3,200	-3,200	0	0.0	GREEN
<b>Total Spending</b>	<u><u>356,924</u></u>	<u><u>354,974</u></u>	<u><u>-1,950</u></u>	<u><u>-0.5</u></u>	
<b><u>Funding</u></b>					
Revenue Support Grant	-70,763	-70,783	-20	0.0	GREEN
Business Rates - Top Up	-35,756	-35,756	0	0.0	GREEN
Business Rates Baseline	-19,349	-19,759	-410	2.1	GREEN
Small Business Rate relief etc - S31 Grant	0	-1,360	-1,360	n/a	GREEN
Collection Fund net deficit / (surplus)	-2,318	-2,318	0	0.0	GREEN
Council Tax	-224,050	-224,050	0	0.0	GREEN
	<u>-352,236</u>	<u>-354,026</u>	<u>-1,790</u>	<u>0.5</u>	
<b>Net Total</b>	<u><u>4,688</u></u>	<u><u>948</u></u>	<u><u>-3,740</u></u>		

\* Public Health funded by Grant (£21.9m)

'Traffic lights' :

Underspending / on budget	GREEN
Overspending of 2% or less	AMBER
Overspending of more than 2%	RED

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**Revenue Budget 2014/15 – forecast main variances****Children and Family Services****Dedicated Schools Grant**

A net underspend of £0.69m is forecast. The main area is:

	£000	% of Budget	
Special Educational Needs	-620	-1%	The underspend relates to contingency funding set aside for the first full year of post 16 high need support and for increased costs relating to the change in the participation age. Many young people prefer to keep their placement options open until exam results are known but early indications allow for part of the contingency to be released. A full reconciliation of leavers will take place at the end of September.

**Local Authority Budget**

A net overspend of £0.82m (1.3%) is forecast. The main variances are:

	£000	% of Budget	
Placement Budget	2,500	14%	Overspend mainly due to increased need to place children with Independent Fostering Agencies (IFA). This is because, whilst Leicestershire's children in care numbers are well below the national average / statistical neighbours, numbers increased suddenly during Qtr. 4 of the financial year 2013/14 as a result of increased national public awareness in the light of national high profile serious case reviews. Although there is an active drive to recruit new in house foster carers, the number of mainstream foster carers over the last 12 months suffered a net decrease mainly as result of carers retiring. This subsequently means that the County Council's in house provision remains saturated. With the increasing demand of specific needs of placements such as baby & mother and sibling group placements, placements are having to

			be made externally. The majority are being placed in IFA's, which has seen these placements increase by 31% since this point last year.
Specialist Assessment & Response Services	-545	-6%	The underspend is across the three locality areas and is due to management decisions taken to freeze a number of vacant posts/hours across teams.
Disabled Children Service	-540	-14%	The service is required to deliver savings in 2015/16 and has taken opportunities to reduce costs as they have arisen, including not allocating uncommitted grant funding to providers.
Pupil Referral Unit (PRU) Transport	-150	-52%	Reduced costs arising from establishing Oakfield as Key Stage 1 and 2 provision only and therefore the demand on the PRU transport budget will be reduced.
Targeted Early Help - Children Centres / Youth Service	-140	-1%	Underspend largely due to staff vacancies.
Safeguarding Assurance	-90	n/a	Expected income to be received during the year increased due to more schools converting to Academies and Independents buying the training.
Administration and Committees	-65	-11%	Underspend due vacant posts within the establishment which are unlikely to be filled.
Education Psychology Service	-60	-5%	Service expected to attract additional income from commissioned projects.
Heads of Strategy	-50	-7%	Part year vacancies within year.

### **Adults & Communities**

At this stage the Department is forecasting an overspend of £3.8m (2.8%). The main variances are:

	£000	% of Budget	
Home care	1,270	5%	Increased levels of demand and above inflationary pricing pressures have seen homecare costs increase by over 5% year on year. Demand pressures are a result of service user's increasing levels of need. Above inflationary pricing pressures are being driven by sector wide issues of capacity shortage and increasing wage costs being experienced by providers, relating to staff travel and other incentives to recruit and retain skilled staff.

Supported Living	1,150	8%	The number of new placements is expected to exceed the growth that had been included in the MTF5. In addition to this, a number of existing placements were identified where the funding position between the County Council and neighbouring Councils was unclear due to ordinary residence rules. This resulted in a review of the relevant funding responsibilities of each council and the transfer (in both directions) of the funding of some of these cases. The net position resulted in an increased cost for the County Council.
Residential and nursing care	760	1.6%	The overall number of placements made in care homes has not increased, but the average cost of each placement is higher. The reasons for this are the increasing frailty and dependency of older people at the time they enter a care home, and increased complexity of need of younger disabled people requiring a care home placement.
Direct Cash Payments	670	2.6%	The increases in direct payments are for similar reasons to those for home care. The increased level of spend on direct payments should, however, be mirrored by a decrease in the volume of care commissioned by the Council. The fact that both are increasing is indicative of rising demand and cost pressures.
Efficiencies and Service Reduction shortfalls	650	n/a	A shortfall in achieving savings has arisen due to delays implementing plans for delivery. This is partly linked to the need to undertake public consultation and other statutory changes relating to services such as Deprivation of Liberty. The key risks relate to in-house and other service reviews; libraries and museums and "Limiting service users choice of support to the most cost effective option". Some mitigating savings have been sourced already (short term Communities and Wellbeing infrastructure savings and Early Intervention and Prevention) and the department is looking to identify other areas of savings to compensate for the remaining shortfall.
Integrated Adult System (IAS) resources	350	6%	Temporary resources are needed to stabilise system, interface, payment and data issues arising from the IAS Social Care and Payments system

			implementation. This resource is needed short term to ensure continuity of payments to providers; income assessment and collection; and bad debts whilst implementing permanent system change and enhancements to meet statutory requirements and opportunities for future savings through more automated processes.
Community Life Choices	230	2.5%	Cost pressures are a result of a higher proportion of younger adults with very complex needs and increasing the Shared Lives service for day services.
Deprivation of Liberty (DOLS)	150	35%	Increased "DOLS" assessments and reviews expected following recent legislation changes.
Service User Income	-520	1%	Service user contributions to the costs of their care are projected to be 1% higher than the prudently set budget (set to reflect reducing levels experienced in 2013/14 and welfare benefits tightening). This is a sensitive budget item that varies depending on the relative level of wealth and ability to pay of service users.
Prevention Review	-410	5%	2015/16 savings target is on track for early delivery to coincide with contract start dates.
Homecare Assessment & Reablement Team (HART)	-380	7%	Vacancies and health funding have led to this underspend. This also assumes that additional resources ( up to 25 fte homecare assistants) will be recruited to create more reablement capacity which will have a positive impact on service users maintaining their independence longer and a reduced need for ongoing packages (usually home care).

### **Environment and Transportation**

At present the Department is forecast to underspend by £0.35m (0.4%). The main variances are:

	£000	% of Budget	
<b><u>Transportation</u></b>			
Special Education Needs	250	4%	Increased costs carried forward from 2013/14 into the first four months (April to July) due to more solo transport required for SEN pupils with high needs in 2013/14 continuing into 2014/15.

Concessionary Travel & Joint Arrangements	-450	-8%	Forecast underspend due to lower usage based on the first 3 months of the financial year and a change in eligibility criteria. Forecast will vary through the year based on any changes in bus fares and weather.
Mainstream School Transport	-290	-5%	Underspend due to reduced demand arising from increased charges, a school arranging their own transport and more commercial options being available at several schools.
<b><u>Environment</u></b>			
Landfill	775	13%	Overspend due to additional waste costs; £180k as a result of increased tonnages due to improving economy, £300k due to more commercial waste being handled(although offset by additional income). Balance is due to difficult recycling market conditions, with more rejected material having to go to landfill.
Recycling & Household Waste Sites	-195	-6%	Lower bonus payable due to reduced recycling and reduced inflationary pressure.
Haulage	-175	-17%	Reduced haulage due to use of third party transfer and more use of Syston transfer station.
Waste Management Income	-75	-8%	Additional trade waste income partially offset by a decrease in income from recycling.

### **Chief Executives**

An underspend of around £0.38m (3.3%) is forecast. The main variances are:

	£000	% of Budget	
Coroners	50	6%	The overspend relates to the South Leicestershire Coronial Service which is run by Leicester City Council on the County's behalf. The 2013/14 charge was significantly more than forecasted and accrued for, due to a rise in the number of cases and complexity of those cases.
Democratic Services	-210	-12%	£120k of this saving relates to the early achievement of efficiency savings which were expected in later financial years. There is also an underspend relating to staff vacancies in the new staff structure.

Strategic, Partnerships & Communities	-50	-1%	Underspend relates to staff vacancies which have been left unfilled pending a staff review of the whole service expected to commence towards the end of 2014/15.
Legal	-50	-3%	Staff vacancies.
Registrars	-50	n/a	Increased income due to more residents using Registrars Services.

### **Corporate Resources**

An underspend of around £0.58m (1.7%) is forecast. The main variances are:

	£000	% of Budget	
Property Disposals	150	60%	Overspend forecast based on an increased anticipated level of capital receipts.
ICT	-270	-4%	Staff turnover savings.
Traded Services	-200	n/a	On the basis that Traded Services over-performed against targets in 2013/14, although this is partially accounted for through the current year MTFS targets being more ambitious; further over-performance is expected.
Facilities Management Contracts	-95	7%	Increased income from clients.
Learning & Development	-75	-4%	A number of posts are being held vacant, pending a review next year.

**APPENDIX 3****Capital Budget – Revised budget and forecast main variances****Identified Variances**

The significant variances on schemes at period 4 are:

<b>Department</b>	<b>Reasons</b>	<b>£000</b>
A&C – Coalville Library	Acceleration of Libraries configuration of space scheme, to tie in with Property Services Energy improvement works at the site to minimise disruption.	60
E&T Transportation-Integrated Transport Schemes – Active & Sustainable Travel	Underspend on Stephenson's Way, Coalville due to lower than anticipated costs and slippage on Green Lane, Coalville roundabout improvement scheme.	-191
E&T Transportation - Bridges	Acceleration of Zouch Bridge Scheme £0.1m, design currently being carried out. Overspend on Soar Valley Way scheme due to increase in scope of works needed to be carried out under contra-flow which is mainly offset by slippage on Bloods Hill, Kirby Muxloe due to sensitivity of the road.	65
Chief Executives – Rural Capital Scheme	It is unlikely that Year 3 of the programme (2014/15) will be required as other similar grant schemes are supported with City Council and LLEP are funded from Regional Growth Fund.	-104

**Capital Programme – Changes in Funding**

Changes in funding on the capital programme 2014/15:

<b>Department</b>	<b>Reasons</b>	<b>£000</b>
Outturn Adjustments	2013/14 Outturn adjustment: <ul style="list-style-type: none"> <li>• C&amp;FS - £0.40m</li> <li>• A&amp;C – £0.22m</li> <li>• E&amp;T Waste Management - £0.08m</li> <li>• Corporate Resources - £0.45m</li> <li>• Chief Execs - £0.39m</li> </ul>	1,538
<b>Sub Total (outturn changes)</b>		<b>1,538</b>

<b>Department</b>	<b>Reasons</b>	<b>£000</b>
A&C	Adaptations Vehicle – Renewals reserve	20
E&T - Transportation	Wheels to Work – Economic Growth Development reserve	29
E&T - Transportation	Active & Sustainable Travel – S.106 contributions unapplied	166
E&T - Transportation	Footways – S.106 contributions unapplied	158
E&T - Transportation	Street Lights/Traffic signs part lighting – S.106 contributions unapplied	344
E&T - Transportation	Bridge Maintenance – S.106 contributions unapplied	174
E&T - Transportation	Pinch Point/Park & Ride – S.106 contributions unapplied	136
E&T - Transportation	Bus Corridors/Advance Design – S.106 contributions unapplied	30
E&T - Transportation	Area Office Accommodation – S.106 contributions unapplied	247
E&T - Transportation	Patching/carriageway surfacing, joint sealing and other general maintenance works that will ultimately result in there being fewer potholes in the county – Pothole Grant funding from Department for Transport	2,639
CR	County Farms Estate land acquisition, funded from future capital receipts.	585
<b>Total</b>		<b>4,528</b>





## **SCRUTINY COMMISSION – 16 SEPTEMBER 2014**

### **REPORT OF THE CHIEF EXECUTIVE**

#### **QUARTER 1 2014/15 PERFORMANCE REPORT**

##### **Purpose of Report**

1. The purpose of this report is to provide the Scrutiny Commission with an update on performance through to the end of the first quarter of 2014/15 (April – July). It provides an overview of performance against the Enabling Economic Growth theme area of the County Council Strategic Plan 2014-18 as well as highlighting Strategic Plan performance on corporate areas not covered by the other scrutiny committees. A summary of performance on other key Strategic Plan priorities is also included.

##### **Policy Framework and Previous Decisions**

2. In May 2014 the County Council agreed a new Strategic Plan to 2018 including a range of new priorities and supporting indicators and targets, to form the basis for future performance management. This is the first report to the Scrutiny Commission regarding progress against the Plan.

##### **Background**

3. The report provides an update on County Council corporate performance by way of two dashboards. The first, a customers and corporate health dashboard (included as Appendix 1), incorporates information on:
  - transformation programme/projects
  - customers and communities
  - communications and perceptions
  - people management and equalities
  - property and environmental performance
  - strategic commissioning/procurement
  - information management
  - risk management and audit
4. A second dashboard summarises current overall performance against the Council's Strategic Plan priorities and other key indicators and is attached as Appendix 2. Comparative information at present relates to 2012/13 results. This will be updated and brought forward as part of the Annual Performance report later in the year.

5. A lighter touch monitoring exercise has been carried out at the end of quarter 1 to allow space to move to new strategic plan reporting as well as to prepare a full picture on year end 2013/14 reporting. There are still a few areas where we are developing indicator details and the flow of the data for full reporting.

## **Performance Update**

### ***Enabling Economic Growth***

#### *Local Economic Growth*

6. One of the key measures of local growth is the value of goods and services produced in the area each year, known as 'Gross Value Added' (GVA). The 2012 result (£17.95bn) shows a decline on the previous year against a target to increase to £23bn by 2020, and this indicator is currently rated 'red.' However, at quarter 1 2014/15, Leicestershire and Rutland were named alongside four other areas as among the fastest growing economies outside London by the Royal Bank of Scotland Regional Growth Tracker. This success was attributed to the performance of local retail and distribution industries, while the advanced manufacturing sector was also named.
7. A draft Enabling Growth Plan is due to be submitted to Cabinet in October. It sets out actions to deliver economic growth priorities for the County. The aim is to better co-ordinate support and investment for economic growth across the Council's transport, property, finance, children and families, and economic development functions and align with the LLEP's Strategic Economic Plan (SEP).

#### *Key Employment Land and Development Sites*

8. Four transformational projects have been identified within the LLEP area which will achieve significant wider economic impact. These are:
  - Leicester Strategic Regeneration Areas (SRA) Programme
  - MIRA Technology Park Enterprise Zone
  - East Midlands Enterprise Gateway
  - Loughborough University Science and Enterprise Parks (LUSEP)
9. Within these projects a broad range of activity will be supported to unlock some of the clear opportunities these sites offer. These will include access improvements, land acquisition and site assembly, loans, grants and gap funding to stimulate private sector investment and public realm improvements.
10. MIRA Technology Park (MTP) Enterprise Zone will create over 2,000 direct high value jobs and over 3,000 indirect jobs. It is understood to be one of the most successful Enterprise Zone in the country and has already created over 250 jobs and attracted significant foreign direct investment.

11. The Council has committed £1.5m to support expansion of LUSEP. Of this £450k has been provided as part of a City Deal funding package which will deliver an Advanced Technology Innovation Centre and associated infrastructure. Completion of this scheme is anticipated in July 2015. Council officers are in discussion with the University regarding options for further Council investment in support of LUSEP expansion.

#### *Broadband Connectivity*

12. The Superfast Leicestershire and Superfast Extension rural broadband programmes will increase the proportion of Leicestershire premises with super-fast broadband access from 75% to 94.8%. This equates to around 54,000 additional premises. 19 Cabinets have been completed to date, providing 3,400 additional premises with super-fast broadband access. The rollout will take 2 years to complete. The Council is exploring a range of additional and alternative solutions which will secure 100% superfast coverage across the county.

#### *Business Advice and Support*

13. The three year business survival rate was 61% for the period to 2012, against a target of 70% by 2020 and is rated 'red'. The proposed Business Growth Hub will provide ready access to business development advice, support and grant funding for local businesses, including small and medium enterprises (SMEs). The scheme will be financed through the City Deal and Regional Growth Fund.

#### *Access to Finance for Business Growth*

14. The £1m Leicestershire Local Enterprise Fund was launched with Funding Circle, the UK's leading online marketplace for business loans, to help firms expand and grow. By July 2014, Leicestershire businesses had received over £600,000 of loans to help expand and create jobs.
15. £170,000 of the £173,000 rural capital grant scheme was allocated to 17 projects during 2013/14. These projects have indicated the potential to create up to 60 new jobs and safeguard 70 others. This scheme is not open to bids in 2014/15, as the Council is operating a new business grant scheme in conjunction with the LLEP/City Council – 'Enterprising Leicestershire.'

#### *Tourism*

16. Over 29 million people visited Leicester and Leicestershire in 2013 and the number of jobs supported by tourism increased from 19,604 to 20,485. The economic impact value of tourism in Leicester and Leicestershire increased from £1.395bn in 2012 to £1.481bn in 2013. This increase is double the regional average growth over the same period and may be partly due to the national and international interest regarding the discovery of King Richard III. The Council continues to support the visitor economy

through a contract with Leicester Promotions Limited (LPL). An update on LPL's work was provided at an all-member briefing held before the Scrutiny Commission meeting on 4<sup>th</sup> July 2014.

#### *Supporting People into Employment*

17. The LLEP's Strategic Economic Plan 2014-20 (SEP) and City Deal have been agreed with government. However, partners are awaiting finalisation of terms and conditions for the EU Structural and Investment Fund Strategy by the end of the year to provide funding for some of the development programmes.
18. The County Job Seekers Allowance (JSA) claimant rate is now on a steady downward trend from a recession peak of 2.9% in mid-2009, and was 1.2% for the latest quarter. This mirrors national and regional changes and is close to the historic low of 1.1% in June 2008. The County employment rate has recovered from a low of 71.4% in 2010 to 73.2% for the latest quarter, but remains well below the historic high point of 80% in 2005-06.
19. In terms of County Council supported programmes, the Talent Match Programme, providing employment support for unemployed young people in Greenhill Ward, Coalville, has supported 4 participants into employment since its January start. Those involved need intensive support so it is very much a longer term programme aimed at those furthest from the labour market.
20. Since its inception in 2012, the Wheels 2 Work scheme has supported 234 clients in accessing work or training. There are currently 135 scooters in operation and funding has recently been identified for an additional 50 mopeds for a period of two years. Leicestershire has the largest scheme in the country and has been cited by external agencies as a model of best practice.
21. 7 jobs fairs were delivered during 2013/14, attracting around 2,300 attendees. Individual feedback is that a number of attendees have found jobs as a result. A further 2 job fairs are taking place during September. Over 30 companies are attending the Fosse Park event and there has been a lot of interest in this and the Hinckley event to be held later in the month.

#### *Higher Skill Levels Development and Retention*

22. The proportion of people with degree level qualifications increased from 30.4% in 2012 to 33% in 2013. The Strategic Plan target is to reach the national average rate of 35% by 2017/18.

*Increasing Skills and Minimising NEETs*

23. The proportion of people achieving a level 2 qualification by the age of 19 was 85% during 2013 (similar to the national average) compared to the Strategic Plan target of 88% by 2017/18.
24. There were 10,248 enrolments for all Adult Learning Programmes during the academic year up to 31st July 2014. 36% of those participating in learning enrolled to programmes with vocational outcomes or English and Maths provision.
25. In June 2014, the Adult Learning Service launched a new traineeship programme for 16-24 year olds not in education, employment or training (NEETs). Candidates have been engaged through a variety of partner organisations including Prince's Trust and Connexions. 18 candidates have been enrolled to the programme to date and are currently in training or on a work placement.
26. The County Council has signed a charter to demonstrate its commitment to recruiting apprentices. It currently has 53 apprentices, working across all departments in roles such as administration, finance and customer services. The County Council's Adult Learning Service have a further 41 apprentices enrolled on apprenticeship programmes currently working for other public and private sector companies in Leicestershire.
27. The number of 16-18 year old NEETs in Leicestershire reached a record low of 2.8% at the end of quarter 1. The Prince's Trust 'Get Started' and 'Get Into' programmes for vulnerable young people who are furthest from the labour market (FFLM) commenced in spring 2014. The aims are to help participants re-engage with learning and boost employability programme by giving NEET young people work skills and experience by partnering with employers and training organisations. Since the start of the programme, 19 participants have moved into employment, 2 into apprenticeships, 17 into further education or training and 6 into volunteering.

***Corporate Health - Leadership and Transformation (Appendix 1)***

28. Separate arrangements are being established for reporting on the progress and impact of the new corporate Transformation Programme and projects. A summary of key issues will be included in future dashboards.
29. Reported sickness absence in the Corporate Health dashboard reflects:
- days lost per employee for the year to date (currently 1.6 days for quarter 1); and
  - a rolling 12 month figure for days lost per employee, currently 8.76 days, which is above the target of 7.5 days.

30. The workforce equalities targets are designed to achieve the same levels of representation within the workforce as within the Leicestershire population, based upon the 2011 census results. A report to the July Equalities Board reviewed progress and recognised that given the low level of recruitment, speedy improvement would be challenging. The Board noted that over the past year:

- The % of females at grade 13 or above has increased;
- The % of BME employees has declined slightly; and
- The % of disabled employees and the % at grade 13 and above have declined slightly and the latter is now rated 'red.'

31. The Council continues to carry out a variety of activities to ensure good performance in equalities and achieved the highest level of the equality standard for local government when last assessed.

### ***Customers and Communities (Appendix 1)***

32. The new Cmetrix customer perception system was implemented on a trial basis in the Customer Service Centre (CSC) during July. The Customers Dashboard includes data for six weeks from 1 July, which incorporates 761 responses. Provisional targets have been met for all indicators except 'satisfaction with explanation of when query will be resolved.' This will be explored in more detail.

33. The proportion of calls answered within 60 seconds by the CSC was 58% against a target of 80% for quarter 1. This is similar to the position at quarter 1 last year. This quarter is typically a busy period for the CSC, with a seasonal peak relating to school admissions. Also staff changes and training of new employees may have impacted upon performance.

### ***Property, Facilities and Environment Impact (Appendix 1)***

34. County Council carbon emissions increased slightly in 2013/14 though they are now 15% lower than the baseline. Whilst the Council's energy consumption has reduced, carbon emission factors have increased because there is more carbon in the production of electricity supplied to the national grid. It should be noted that the data reported does is not directly comparable with previously reported figures, as these no longer include emissions relating to schools, which have either converted to academies, or are budgetary self-sufficient. The implementation of the recently approved Property Energy Strategy and RE-FIT programme are important parts of reducing our carbon emissions, and should begin to show an impact during 2015/16.

***Other Strategic Plan Issues (Appendix 2)***

35. Given the refresh of the Strategic Plan with targets to 2018 and the recent establishment of the transformation programme and projects, it is to be expected that there will be fewer performance issues raised at this early stage. Nevertheless the report comments on various performance points that have emerged at the end of quarter 1 and are set out in the paragraphs that follow.

***Safer Communities***

36. The Leicester, Leicestershire and Rutland Police and Crime Panel received an Annual Performance Report 2013/14 from the Office of the Police and Crime Commissioner at its last meeting. The report covers performance against the Police and Crime Commissioners 18 strategic priorities. Overall whilst progress has been made in a number of those priorities, there had been an increase in crime of almost 4% in the County (just over 1,000 crimes) during the year. Increases were mainly seen in acquisitive crime such as burglary, vehicle crime and shoplifting. Reported crime decreased in other areas of the country, however the robustness of reported crime data nationally has been called into question and is no longer afforded the status of national statistics by the Office for National Statistics (ONS).

37. The youth re-offending rate missed the 2013/14 target by 0.03 offences per person (1.04 compared to target of 1.01). The increase had been noted earlier in the year, but had narrowed by the end of the year. Findings from analysis carried out last year regarding the most prolific offenders are being used to shape interventions in the coming year.

38. At quarter 1, vehicle crime had increased slightly compared to last year. Community safety partnerships are monitoring and responding to this increase.

39. The proportion of repeat domestic abuse cases at Multi-Agency Risk Assessment Conferences (MARAC) has seen an increase. This has now moved into the expected range of 25% to 30% having been lower than this for many years.

40. Regarding road safety, the current killed and seriously injured (KSI) numbers exceeded the reduction target following four years of continuing reductions since 2009. At quarter 2 more robust predictions will be possible to assess whether performance has reached a plateau or whether continued reduction is possible.

*Health and Social Care Integration – Better Care Fund*

41. Nationally all Better Care Fund (BCF) plans need to be resubmitted in the light of changes to the BCF process. The templates and technical guidance for this were released in July and the Plan will be submitted by 19<sup>th</sup> September.
42. There is a new pay for performance scheme linked to a revised BCF metric which equates to a reduction of 3.5% in ‘total emergency admissions’ in 2015/16, rather than the current ‘avoidable emergency admissions’. The baselines for all the metrics in the BCF guidance have been changed so that these are all now calculated in 2013/14. This means all the metrics and trajectories in each BCF plan have to be recalculated/ revalidated. Further work has therefore been completed during July/August to assess the data quality and data capture for all BCF schemes. Performance on delayed transfers of care, which is rated ‘red’ at quarter 1, will be reviewed in the light of the above.
43. In Leicestershire current performance in emergency admissions is in the lowest performing quartile nationally and performance during the first quarter shows more people being admitted than accounted for in NHS commissioning plans. The Leicestershire, Leicester and Rutland (LLR) wide 5 year plan sets a trajectory to reduce emergency admissions by 5% per year. 3.5% of the 5% is now subject to pay for performance. However we will have to make a reduction of 8% in emergency admissions in 2015/16 to achieve the 3.5% reduction per the 2013/14 baseline.
44. National Better Care Fund resubmission templates require a much greater level of detail about the benefits of each scheme linked to the metrics, and in particular the breakdown for total emergency admissions metrics. Work is underway to understand the impact of these changes. Initial analysis suggests for Leicestershire this would entail around 1,911 admissions to be avoided through BCF related interventions. It is anticipated that a number of the allocations may change in line with the BCF resubmission.

*Better Public Health and Children’s Health*

45. Public health performance nationally is looked at in terms of the Public Health Outcomes Framework (PHOF). In August Public Health England produced an update to PHOF figures. Overall the picture for Leicestershire shows good comparative performance with just two areas flagged – fuel poverty and chlamydia diagnosis. Public Health England also pulls together a range of data into a health summary – an updated version of the summary was released in July. The summary shows a largely positive picture of health in Leicestershire with just three health/care issues flagged – incidence of malignant melanoma, diabetes and excess winter deaths.
46. The Harborough cluster of Children’s Centres was recently inspected and judged to be ‘good’. Five of the six clusters in Leicestershire have now been inspected with all receiving a ‘good’ rating from Ofsted. Child health



indicators provided by Public Health are generally positive. Of the 5 indicators with national comparisons, 4 are 'better'. A recent data release suggests children aged 5 with tooth decay is worse than average and will be looked at in more detail.

### *Better Adult Social Care*

47. Adult social care performance is monitored nationally via the Adult Social Care Outcomes Framework (ASCOF). This framework is overseen by the Department of Health and currently consists of nineteen indicators across four domains. The provisional performance for 2013/14 was published by the Health and Social Care Information Centre in July.
48. In summary they show a mixed comparative picture with good performance around safeguarding but room for improvement in relation to indicators in the domains of enhancing quality of life for people with care and support needs, delaying and reducing the need for care and support and ensuring people have a positive experience of care. Relevant Strategic Plan indicators currently rated 'red' are:
- % of adults with a learning disability who live in their own home or with their family; and
  - % of adults in contact with secondary mental health services living in settled accommodation.
49. Performance on eight of the measures showed improvement from the previous year whilst performance on five measures was above the national average. These include areas of quality of life, social contact, supporting people aged under 65 within the community i.e. not in permanent residential or nursing care, and two measures relating to feeling safe. Areas in the bottom or third quartile will be of particular focus during 2014/15 and through the Better Care fund project work.

### *Supporting Children and Families*

50. The percentage of children in Leicestershire achieving a Good Level of Development at Foundation Stage has seen a good increase by 11.7% to 58%.
51. The percentage of children in Leicestershire achieving the Phonics benchmark at Year 1 was 76.6%. This was a 2.5% increase on last year's top quartile performance and remains above the national average (based on provisional national data). Leicestershire was above the provisional national average performance at Key Stage 1 for children reaching Level 2 in: Reading; Writing; Science; Mathematics; Speaking and Listening.
52. Leicestershire showed a much improved Key Stage 2 performance in 2014. Provisional data places Leicestershire fractionally above national levels for the headline measure of Level 4 Reading, Writing and Mathematics attainment compared to 1.8% below last year.

53. In relation to Key Stage 4 performance, provisional data suggests that the number of Leicestershire pupils achieving the government benchmark of 5 A\*-C GCSEs (including English and Mathematics) is likely to be lower than 2013 when the 2014 results are confirmed. This reflects the national trend and is due to government changes to the assessment and qualifying criteria. The two main changes that have affected Leicestershire are - 'early entry' candidates are no longer counted if they fail first time but pass at a subsequent attempt. All passes were previously counted. Non-GCSE courses (e.g. BTEC and NVQs) were previously counted as 3 GCSEs but are now counted as only 1, making 5 passes more difficult to achieve. This has had an impact on schools with a higher proportion of vocational courses.

54. The national trend for A Level results is that more pupils are achieving higher grades but that the overall pass rate has fallen. However, in Leicester provisional results indicate that that standards have held up compared to last year.

#### *A Better Environment/Place*

55. Changes to Environment Agency guidance regarding mixed wood waste have had a significant impact on reported composting rates, residual waste and landfill figures. These figures have seen a technical decline as a result of this change and therefore the targets that were set before the guidance changed were not met.

#### **Annual Performance Report**

56. Work has commenced on an annual performance report on progress during 2013/14 and initiatives delivered together with a supporting data annex. This is due to be presented to the Scrutiny Commission and Cabinet in November prior to presentation to full Council in December 2014.

#### **Conclusion**

57. This report provides an update on economic, corporate and Strategic Plan performance at the end of quarter 1, 2014/15. Progress will continue to be monitored with a particular focus on ensuring that the key performance priorities and improvements are delivered.

#### **Recommendations**

58. The Scrutiny Commission is recommended to note significant performance issues now reported and consider whether any further actions or reports are required.

#### **Background papers**

None.

**Circulation under Local Issues Alert Procedure**

None.

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**Appendices**

Appendix 1 - Corporate Dashboard

Appendix 2 – Strategic Plan Performance Dashboard

**Equal Opportunities Implications**

59. A number of areas of the report highlight performance on equalities issues. Equalities performance will continue to be monitored and feed into actions to improve performance where required.

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CUSTOMERS & COMMUNITIES

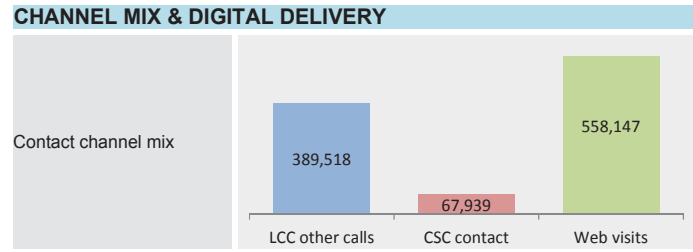
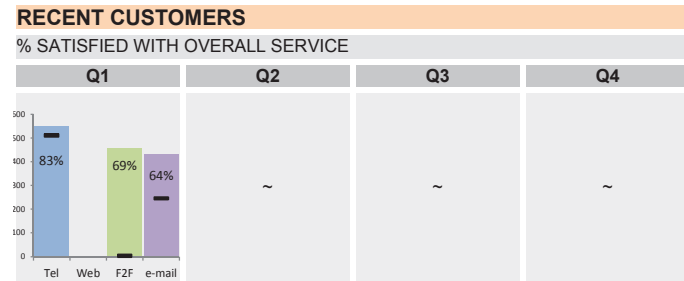
CORPORATE HEALTH

PERCEPTIONS

CONTACT

WORKFORCE PROFILE & EQUALITIES

PROCUREMENT & COMMISSIONING



	TARGET 2014/15	2013/14 Yr End	Q1	Q2	Q3	Q4	STATUS
TOTAL COST OF WORKFORCE (£m)	~	£146.1m	£36.88m	~	~	~	
NUMBER OF STAFF EMPLOYED	~	6,474	6,509	~	~	~	
SICKNESS ABSENCE (number of working days per FTE) cumulative/12mth rolling figure	7.5	9.47	1.6 / 8.76	~	~	~	A
% STAFF SATISFACTION WITH COUNTY COUNCIL AS AN EMPLOYER	76%+	~	~	~	~	~	
% WORKFORCE THAT FEELS LCC IS COMMITTED TO EQUALITY & DIVERSITY	91%+	~	~	~	~	~	
NUMBER OF ACTION PLANS	~	23	8	~	~	~	
% OF EMPLOYEES FROM A BME BACKGROUND	10.50%	8.84%	8.57%	~	~	~	A
% OF BME EMPLOYEES AT GRADE 13 & ABOVE	10.50%	7.92%	7.73%	~	~	~	A
% OF EMPLOYEES WITH A DISABILITY	6.00%	4.57%	4.47%	~	~	~	A
% OF DISABLED EMPLOYEES AT GRADE 13 & ABOVE	6.00%	3.39%	3.41%	~	~	~	R
% OF WOMEN ON GRADE 13 & ABOVE	58.00%	53.62%	54.09%	~	~	~	A
% OF EMPLOYEES DECLARING SEXUAL ORIENTATION	50.00%	37.53%	36.98%	~	~	~	A
STONEWALL WORKPLACE EQUALITY INDEX RANKING	~	11	11	~	~	~	

	2013/14 Yr End	Q1	Q2	Q3	Q4	CHART
CONTRACT PROCEDURE RULE EXCEPTIONS	37	6	~	~	~	
CONTRACT EXTENSIONS WHERE NOT PROVIDED FOR IN THE CONTRACT	6	4	~	~	~	
NUMBER OF HIGH RISK CONTRACTS RATED RED	0	0	~	~	~	
PROCUREMENT SAVINGS	£7.41m					

	TARGET (14/15)	Q1	Q2	Q3	Q4	STATUS
% Satisfied with our service overall	70%	77%	~	~	~	G
% Satisfied the advisor fully understood their issues	70%	79%	~	~	~	G
% Satisfied with how knowledgeable the advisor was	70%	78%	~	~	~	G
% Satisfied with time taken to respond	70%	73%	~	~	~	G
% Satisfied with helpfulness and politeness of staff	70%	70%	~	~	~	G
% Satisfied with explanation of when their query will be resolved	70%	68%	~	~	~	A
% Customers stating they understood advice	70%	76%	~	~	~	G

	PREV YEAR TOTAL	Q1	Q2	Q3	Q4	STATUS
Number of visits	558,147	~	~	~	~	
Number of visits (excluding authority's own staff)		~	~	~	~	
Number of unique website visitors	284,396	~	~	~	~	
Number of successfully completed transactions		~	~	~	~	
% of broken links (page not found)	0.51%	~	~	~	~	
Ratio of completed web site tasks to phone call tasks		~	~	~	~	
Number of web pages	5,820	~	~	~	~	
% satisfaction of website visitors		~	~	~	~	
Council website star rating (SOCITM)	2	2				

	2013/14 Yr End	Q1	Q2	Q3	Q4	CHART
COUNSELLING SERVICE - NEW REFERRALS	234	53	~	~	~	
COUNSELLING SERVICE - SESSIONS PROVIDED	633	204	~	~	~	
GRIEVANCE CASES ONGOING	6	5	~	~	~	
DIGNITY CASES AT WORK ONGOING	9	9	~	~	~	
NUMBER OF NON-STAFF ACCIDENTS	143	54	~	~	~	
NUMBER OF ACCIDENTS	385	114	~	~	~	

	2013/14 Yr End	Q1	Q2	Q3	Q4	CHART
INCIDENTS REPORTED TO THE IC (BY THE AUTHORITY)	1	0	~	~	~	
NUMBER OF INFORMATION SECURITY INCIDENTS	59	11	~	~	~	

	Q1	Q2	Q3	Q4
HIGH RISKS	17	~	~	~
NEW 'HIGH' IMPORTANCE AUDIT RECOMMENDATIONS AGREED DURING THE QUARTER	0	~	~	~
NO. OF HIGH IMPORTANCE RECOMMENDATIONS NOT CONFIRMED AS IMPLEMENTED DURING THE QUARTER	4.5	~	~	~
INVESTIGATIONS MOVEMENTS DURING QUARTER (START + NEW - CLOSED)	1	~	~	~

	PREV YEAR TOTAL	Q1	Q2	Q3	Q4	STATUS
% think local public services treat all types of people fairly	93.6%	88.8%	~	~	~	
% think Leicestershire County Council doing a good job	NA	72.5%	~	~	~	
% agree that Leicestershire County Council provides value for money	NA	72.1%	~	~	~	
% feel well informed about Leicestershire County Council	NA	49.3%	~	~	~	

	TARGET (14/15)	Q1	Q2	Q3	Q4	STATUS
Total CSC contact volume	~	78,925	~	~	~	
Total CSC telephone calls	~	67,939	~	~	~	
% CSC calls answered	70%	79%	~	~	~	G
% CSC calls answered within 60 seconds	80%	58%	~	~	~	A
% CSC calls abandoned after 60 seconds	<7%	8%	~	~	~	A

	TARGET (14/15)	Q1	Q2	Q3	Q4	RAG
TOTAL BUSINESS MILES CLAIMED (000s) (projected)	7,580	7565 (Q4)	~	~	~	G
TOTAL CO2 EMISSIONS FROM LCC SITES (tonnes) (rolling 12 month)	27,062	28692 (Q4)	~	~	~	A
WASTE PRODUCED FROM LCC SITES (tonnes) (rolling 12 month)	<846	844	~	~	~	G
% WASTE FROM LCC SITES RECYCLED (rolling 12 month)	63%	62.3%	~	~	~	G
PAPER USE (A4 equivalent, millions) (rolling 12 month)	~	12.86	~	~	~	G
OPERATING COST PER WORKSTATION (OFFICE ACCOMMODATION)	~	~	~	~	~	

	TARGET (14/15)	Q1	Q2	Q3	Q4	STATUS
Number of media points	6,000	1,657	~	~	~	G
Number of followers @leicscountyhall		6,852				G
% Campaigns rated green - outcomes	80%	90%				G
Number of interpretation bookings	~	190 *	~	~	~	
Number of British Sign Language interpretations	~	31 *	~	~	~	
Number of translations provided	~	11 *	~	~	~	

	PREV YEAR TOTAL	Q1	Q2	Q3	Q4	STATUS
Number received	489	118	~	~	~	
% responded to within 10 days	73%	70%	~	~	~	
% upheld	51%	60%	~	~	~	
Number of commendations received	424	46	~	~	~	
Number of ombudsman complaints received	46	7	~	~	~	

	TARGET	ACTUAL	RAG	CHART
EFFICIENCIES /OTHER SAVINGS ACHIEVED (000's)	£10,905	£10,905	G	
SERVICE REDUCTIONS ACHIEVED (000's)	£7,380	£7,200	A	
TRANSFORMATION PROJECTS/ IMPROVED OUTCOMES	Separate monitoring & reporting being established			

\* Q1 data for period April 14 - July 14

**COMMENTARY**

Risk Management  
 1 risk removed - CE,  
 3 risks added to the CRR  
 1 x CE - Compliance with the new Information Security Policy  
 1 x CE & CF - Partnership relationships regarding Community Safety  
 1 x E&T - Funding for transport schemes to deliver economic growth

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## Appendix 2 - Strategic Plan Performance Dashboard, Quarter 1, 2014/15

### Key Strategic Plan Priorities

EC: Enabling Economic Growth

H&SC: Better Care - Health and Social Care Integration

C&F: Supporting Children and Families

ENV: A Better Environment/Place

Safer: Safer Communities

LCC SERVICES		PERFORMANCE INDICATORS					2012/13 COMPARATIVE POSITION			
		QUARTERLY INDICATOR RATINGS (Red/Amber/Green)	CHANGE (available for 122 indicators)			ANNUAL INDICATOR RATINGS (Red/Amber/Green)	PI QUARTILE (available for 59 indicators)			COST quartile
			IMPROVE	SAME	DECLINE		TOP	MIDDLE	BOTTOM	
	<b>TOTAL</b>		54	24	44		17	36	6	
EC	Infrastructure for Growth			1	1			1		
EC	Business Growth and Support		2		1			1		
EC	Employment and Skills		6		3		1	2		
EC	Strategic Transport Infrastructure		1	1						
EC	Sustainable Transport, Maintenance & Safety		2	2	1		3		1	
H&SC	Better Care Fund Plan		1		2		1	1		
H&SC	Adult Social Care		4	1	3		1	2	3	
H&SC	Mental Health		1		4		2	3	1	
H&SC	Public Health - Prevention and Early Intervention		11	1	10		7	7		
H&SC	Physical Health, Sport and Physical Activity		1					2		
C&F	Children & Young People's Health and Wellbeing		1	2	1		1	4		
C&F	Children & Young People are Safe		3	4	4			5		
C&F	Children & Young People Achieve		8	2				7	1	
C&F	Early Help & Supporting Families		2	1						
Safer	Youth Justice		1	2						
Safer	Crime & Antisocial Behaviour Minimisation		2	3	2					

Key: R A G

LCC SERVICES		PERFORMANCE INDICATORS					2012/13 COMPARATIVE POSITION			
		QUARTERLY INDICATOR RATINGS (Red/Amber/Green)	CHANGE (available for 122 indicators)			ANNUAL INDICATOR RATINGS (Red/Amber/Green)	PI QUARTILE (available for 59 indicators)			COST quartile
			IMPROVE	SAME	DECLINE		TOP	MIDDLE	BOTTOM	
Safer	Supporting Victims of Crime and Disorder	<span style="background-color: yellow; padding: 2px;">3</span> <span style="background-color: green; padding: 2px;">1</span>		3	1					
ENV	Carbon Emissions & Climate Change	<span style="background-color: yellow; padding: 2px;">4</span> <span style="background-color: green; padding: 2px;">3</span>	4		3					
ENV	Waste Management	<span style="background-color: yellow; padding: 2px;">2</span> <span style="background-color: green; padding: 2px;">1</span>	1		2		1	1		
ENV	Cultural Environment	<span style="background-color: yellow; padding: 2px;">2</span> <span style="background-color: green; padding: 2px;">4</span>	3	1	4					