



*Meeting:* **Scrutiny Commission**

*Date/Time:* **Wednesday, 4 November 2015 at 10.00 am**

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

*Contact:* **Mr. S. J. Weston (Tel: 0116 305 6226)**

*Email:* **sam.weston@leics.gov.uk**

### **Membership**

Mr. S. J. Galton CC (Chairman)

Mrs. R. Camamile CC    Mr. K. W. P. Lynch CC  
Mrs. J. A. Dickinson CC    Mrs. C. M. Radford CC  
Dr. R. K. A. Feltham CC    Mr. R. Sharp CC  
Dr. S. Hill CC    Mr. R. J. Shepherd CC  
Mr. D. Jennings 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 30 September.	(Pages 5 - 10)
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. Leicestershire Fire and Rescue Service Consultation: Integrated Risk Management Plan 2016-2020. (Pages 11 - 66)
9. Leicestershire County Council Annual Performance Report 2015. Chief Executive (Pages 67 - 140)
10. 2015/16 Medium Term Financial Strategy Monitoring (Period 6). Director of Corporate Resources (Pages 141 - 166)  
  
The Cabinet Lead Member for Finance and Resources, Mr. J. B. Rhodes CC, has been invited to attend for this item.
11. Review of Earmarked Funds and Balances. Director of Corporate Resources (Pages 167 - 192)  
  
The Cabinet Lead Member for Finance and Resources, Mr. J. B. Rhodes CC, has been invited to attend for this item.
12. Date of next meeting.  
  
The next meeting of the Commission is scheduled to take place on 27 January 2016 at 2.00pm.
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 Wednesday, 30 September 2015.

PRESENT

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

Mrs. R. Camamile CC

Mr. J. G. Coxon CC

Mrs. J. A. Dickinson CC

Dr. R. K. A. Feltham CC

Mr. S. J. Hampson CC

Dr. S. Hill CC

Mr. K. W. P. Lynch CC

Mr. R. Sharp CC

Mr. R. J. Shepherd CC

Mr. L. Spence CC

In Attendance:

Mr. N. J. Rushton CC, Leader of the County Council (For Minute 32)

Mr. J. T. Orson JP CC, Cabinet Lead Member for Safer Communities and Chairman of the Leicester, Leicestershire and Rutland Police and Crime Panel (For Minute 33)

Martin Peters, Chief Executive of Leicester Shire Promotions Ltd. (For Minute 35)

Chas Bishop, Chief Executive of the National Space Centre and Chairman of the Leicester Shire Promotions Board (For Minute 35)

24. Minutes.

The minutes of the meeting held on 29 June were taken as read, confirmed and signed.

25. Question Time.

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

26. Questions asked by Members.

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

27. Urgent Items.

There were no urgent items for consideration.

28. 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.

The following members each declared a personal interest in respect of Item 11 as members of district and borough council representatives (as indicated) who would be affected by the proposals (Minute 32 refers):

Mrs. R. Camamile CC (Hinckley and Bosworth Borough Council)  
 Mr. J. G. Coxon CC (North West Leicestershire District Council)  
 Mr. S. J. Hampson CC (Charnwood Borough Council)  
 Dr. S. Hill CC (Harborough District Council)  
 Mr. S. J. Galton CC (Harborough District Council)  
 Mr. R. Sharp CC (Charnwood Borough Council)  
 Mr. R. J. Shepherd CC (Charnwood Borough Council)

29. Declarations of the Party Whip.

There were no declarations of the party whip.

30. Presentation of Petitions.

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

31. Change to the Order of Business.

The Chairman sought and obtained the consent of the Commission to vary the order of business from that set out in the agenda.

32. Combined Authority.

The Commission considered a report of the Chief Executive seeking the views of the Commission on proposals to form a Combined Authority (CA) as part of a consultation process. A copy of the report, marked "Agenda Item 11", is filed with these minutes.

The Chairman welcomed to the meeting the Leader of the County Council, Mr. N. J. Rushton CC, who was present to introduce the report and respond to any questions from members.

The Leader reported that local areas were being encouraged by Central Government to take on extra responsibility for economic growth. In part due to the good working relations that existed between the County and City Councils, positive steps had been taken to bring the proposals before the Commission today.

The Chief Executive reported that the timeline for the proposals would be as follows:

- The consultation process would run to 20 October 2015;
- Revisions to the proposals would be considered arising from this process;
- The proposals would be submitted to the Economic Growth Board and then taken through the County Council's decision making process (as well as those of the City Council and district councils), through November and December 2015;
- A second Government led consultation process would likely be held in Spring 2016 prior to the proposals being taken through the parliamentary order process.

Arising from a discussion, the following points were noted:

- Leaders of all district and borough councils would appoint themselves to the CA, on which all would each have one vote. There was a power of veto or an “opt out” which it was hoped would not become obstructive. The Chairman of the LLEP would sit on the CA in a non-voting capacity;
- It was hoped that, as part of the proposals, it would not be necessary to elect a County Mayor as this would inevitably cause difficulties for the City Mayor and therefore the involvement of the City Council;
- It was too early to know at this stage how the Combined Authority scrutiny function would work in practice, though it was known that in order to gain approval from Government, scrutiny arrangements had to be in place. Any function would have to reflect political and geographical balance in a similar way to the Police and Crime Panel;
- The CA and local planning authorities would have concurrent powers that would place an emphasis on co-operation from both sides;
- A County Mayor would have to be elected were health partners to be involved. If this were to be the case it would also be necessary to involve Rutland County Council in the CA because of the arrangements already in place for health.

RESOLVED:

That the Commission supports the proposals for a Combined Authority.

33. Police and Crime Panel - Update.

The Chairman welcomed to the meeting Mr. J. T. Orson JP CC, Cabinet Lead Member for Safer Communities and Chairman of the Leicester, Leicestershire and Rutland Police and Crime Panel. Mr. Orson delivered a presentation which set out how the Panel’s work had progressed over the past year and some of main issues it had considered. A copy of the slides forming the presentation is filed with these minutes.

In introducing the presentation, Mr. Orson highlighted that the Panel was functioning well and that it was providing an effective challenge to the Police and Crime Commissioner (PCC), Sir Clive Loader whose term of office was due to end in May 2016.

Arising from the presentation, the following points were noted:

- The Force was known to be performing well when compared with other “similar” forces. Some details around its performance within a national context would hopefully be made available to members of the Commission following the meeting;
- In regard to Child Sexual Exploitation, the PCC had initiated a review of historic cases in September 2014 and had updated the Panel on the progress of the review at the Panel’s meeting in March 2015. The Panel had also been made aware that funding of £1.3 million had been dedicated to tackling this high priority area;
- The Force was on track to achieve its savings target for this year of £10 million. Informal feedback had suggested that the implementation of the Force Change

Programme was resulting in a more visible force on a local level. The Panel received a standing item on the progress of the Force Change programme at its meetings, though it was expected that a full review of the Programme would be conducted in around two years' time;

- Response times were expected to be an issue in the east of the County. This had been reported to the Panel, though Mr. Orson offered to raise this matter again on behalf of the Commission at the Panel's next meeting on 16 December;
- Though there was no cost to call the 999 emergency number, it was felt that it would be difficult to encourage the public to call the 101 crime line given it cost 15p per call. The Chairman offered to raise this issue with the OPCC and report back to the Commission.

RESOLVED:

That the Chairman of the Leicester, Leicestershire and Rutland Police and crime Panel be thanked for his informative presentation and that he be invited back to a meeting in six months' time to provide a further update on the Panel's work.

34. Medium Term Financial Strategy Monitoring (Period 4), Use of Additional Resources and Medium Term Financial Prospects.

The Commission considered a report of the Director of Corporate Resources concerning an update on the 2015/16 Revenue Budget and Capital Programme monitoring position. A copy of the report, marked "Agenda Item 20", is filed with these minutes.

Arising from a discussion, the following points were noted:

Revenue Budget

- An emphasis had and would continue to be placed on spending wisely on invest to save projects;
- It was known that there was a limited choice of providers of specialist care in the Children and Families area. The Council was investigating opportunities to help to drive down prices by playing a more active part in the sector. Foster care recruitment remained a priority, not least because it would avoid high cost placements for those with special needs. The Children and Families Overview and Scrutiny Committee had been well briefed on this area as part of its business;
- Staffing capacity had prevented further developments for Beaumanor Hall at this stage, though it was expected that proposals for the site would emerge in in 2016;
- The implementation of the Living Wage was likely to affect a number of contracts held with those companies delivering Adult Social Care services;
- The Autumn Government Settlement was expected in late November. Briefings for elected members would follow the announcement;

RESOLVED:

That the report be noted.



35. Presentation: Review of Leicester Shire Promotions Ltd. Performance.

The Commission considered a report of the Chief Executive setting out the background to the Council's contract with Leicester Shire Promotions Ltd. (LPL) to provide its tourism services. A copy of the report, marked "Agenda Item 8", is filed with these minutes.

In introducing the item, the Chief Executive reported that tourism was a key part of the LLEP's growth plans. The Council's contract with LPL would run to March 2016 and at this point there was an opportunity to extend the contract. An independent review had been commissioned which would inform future arrangements for delivering tourism support across Leicester and Leicestershire. The findings of the review were expected to be reported to the Cabinet in February.

The Chairman welcomed to the meeting Martin Peters, Chief Executive of LPL and Chas Bishop, Chief Executive of the National Space Centre and Chairman of the LPL Board. Both were present to deliver a presentation to the Commission on the performance of LPL over the past year.

Arising from the presentation, the following points were noted:

- The tourism industry was in a good state and was employing people in increasing numbers. This was reflected in Leicestershire's current position which was generally very positive and resulted in a requirement for additional accommodation in the City and County. Accommodation was now expanding in the City and County to meet this demand following the recession;
- It was important that LPL was made aware of events and activities in the County in order that it could provide support and help to further grow the sector in Leicestershire;
- Without the Council's funding, LPL would be able to continue to operate, but it was expected that some of the support the company provided to those running events would cease. LPL would seek funding from other organisations, though it was felt that it required a small baseline of funding in order to exist on the scale that it currently did.

RESOLVED:

That Martin Peters be thanked for his presentation.

36. Date of next meeting and schedule of meetings in 2016.

It was NOTED that the next meeting of the Commission would be held on 4 November 2015 at 2.00pm.

The following schedule of meetings to be held in 2016 at 2.00pm was noted:

27 January  
24 February  
6 April  
15 June  
6 July

7 September  
16 November

2.00 - 4.10 pm  
30 September 2015

CHAIRMAN



**SCRUTINY COMMISSION - 4 NOVEMBER 2015**

**LEICESTERSHIRE FIRE AND RESCUE SERVICE CONSULTATION:  
INTEGRATED RISK MANAGEMENT PLAN 2016-2020**

The Chief Fire Officer, Richard Chandler has been invited to the meeting to present and address any questions from members. He will be accompanied at the meeting by Deputy Chief Fire Officer, Steve Lunn and Combined Fire Authority Treasurer, Alison Greenhill. A briefing will be held for all members of the County Council on this issue on 2 November.

The consultation information relating to this item is available at:

<http://www.leicestershire-fire.gov.uk/irmp>

Comments had been sought from the Fire Bridge Union (FBU) and the Retained Firefighters' Union (RFU) on the proposals. Their comments are attached as follows:

**A. Comments of the FBU**

*(Graham Vaux, Brigade Chair and Dean Thornton of the FBU have been invited to speak at the meeting)*

**B. Comments of the RFU**

*(Anthony Morgan, President of the RFU has been invited to speak at the meeting)*

Comments had been sought from members of the public via the County Council's Democratic Services Twitter feed (@LeicsDemocracy) on the proposals. All comments submitted are attached as follows:

**C. Open letter from retired members of Leicestershire Fire and Rescue Service**

*(The following retired fire officers are signatories to the letter and have been invited to speak at the meeting: Ian Lockyear, Chris Bilby, Paul Percival and Chris Arculeo)*

**D. Comments from Pauline Lindsay, Kibworth Harcourt Parish Councillor**

**Officer to Contact:**

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Principal Committee Officer  
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### Leicestershire FBU Briefing Note on Leicestershire Fire Service Cuts

#### Foreword

Like the vast majority of firefighters and members of the public, the FBU were shocked and angered by the scale of the solely front line cuts proposed in last month's announcement by Leicestershire Fire Service management. Particularly in light of the previous cuts agreed by the Combined Fire Authority (CFA) in April of this year, which amounted to the removal of 104 Operational Firefighters and 2 Fire Engines.

In this latest round of cuts, the worst ever faced in the history of Leicestershire Fire and Rescue Service (LFRS), the following further devastating cuts have been put forward for consultation:

- **The closure of Central Fire Station** – the busiest station in the county.
- **The closure of Kibworth Fire Station** – that will leave a rural community with little or no fire cover.
- **A further reduction of 88 Operational Firefighters**, in addition to the 102 already agreed, taking the **total reduction to a staggering 192 out of the 650** Firefighters we currently have. **This constitutes a loss of 1/3 of all operational firefighters in Leicestershire**; taking this to the lowest number since pre First World War times.
- **The removal of a further 9 Fire Engines taking the total to 11 that will be removed out the 30 we currently operate with, leaving just 19 for the entire county.**
- Introduction of 3 small fire units (TRV's) - which are untried and untested in Leicestershire and will be crewed with just 2 Firefighters and a fraction of the equipment of a fully kitted Fire Engine. 3 TRV's are being proposed to replace 3 of the 11 fully equipped Fire Engines that are being removed.

What does all of this ACTUALLY mean to the public of Leicestershire...?

# FIRE BRIGADES UNION

## LEICESTERSHIRE

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### Response times WILL be slower

For firefighters, response should be measured in both speed and weight of attack, speed being the time it takes to get the 1<sup>st</sup> attending appliance in attendance, weight being the time it takes to get sufficient crews and resources there to safely carry out a rescue or deal with an incident.

In the Central Station area and Kibworth Station area these proposals would mean that the speed of the first attending appliance would be significantly delayed, often doubled in the city especially during times of busy traffic.

The proposals at Loughborough, Hinckley and Market Harborough would mean that although the speed of attack would not always be delayed, the weight of attack would be significantly delayed, the position of surrounding appliances DOES NOT mean that there will be sufficient crews in attendance to carry out initial lifesaving actions, crews would literally have to WAIT before taking some action or carrying out a rescue, which is unacceptable.

The argument that there would be an upgrade in fire cover in Market Harborough is misleading, the speed of the first attending appliance might be slightly quicker, but they would actually have half the current resources so their actions would be limited, they would frequently have to wait before they have sufficient resources to act. This is a prime example why 'weight' of attack is vital.

### Tactical Response Vehicles are NOT capable of ANY lifesaving action

They are basically a pick up van, crewed with just 2 Firefighters with a jet wash fitted to the back. Amazingly LFRS plan to send this vehicle to all incident types, including house fires and high-rise incidents, very much against what they are designed to do.

Firefighters are very proud that their hard work has resulted in the number of calls reducing nationally, however the county trend is that rescues are on the rise. Therefore We NEED appliances that are capable of carrying out rescues WHEN THEY ARRIVE, TRV's do not have the equipment or sufficient crew to carry out ANY rescues.

Imagine in Billesdon or Kibworth, you are a firefighter first to arrive at a house fire in a TRV where a family is trapped inside, family members are screaming at you to rescue their loved ones. There are only 2 of you, you have just 1 breathing apparatus set and a hose that amounts to just a jet wash, you know that under every procedure locally and nationally it requires you to WAIT for supporting appliances, but you know they could be another 5 – 10 minutes and people are dying.....what would you do....wait?.....or have a go? This is the dilemma that firefighters could have to face EVERY DAY. **Massively increasing the risk to the public and firefighters.**

# FIRE BRIGADES UNION

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### Resilience reduced to dangerous levels

Reducing from 30 Fire Appliances to just 19, and 3 TRV's is a reduction of 1/3 of our firefighting capability.

Fire and Rescue Services are required to plan for **ALL** potential incidents. Clearly an incident such as the Kegworth air disaster does not occur frequently, however Leicestershire do frequently attend incidents that require a level of response that we would not be capable of providing if these proposals are agreed. You will remember the Melton Road Fire that required 10 Fire Engines, Jayplas that required 16 or the high rise incident only last week that required 5, even an Automatic Fire Alarm at a high rise requires 4 appliances to attend. When incidents do occur all resources would be used up very quickly, the closure of Central Station for example would frequently pull all the Fire Engines from the county into the city, leaving these areas exposed and not leaving anything else to deal with ANY other lifesaving incident should they occur.

It is true that we can call upon our neighbouring Fire & Rescue Services for assistance, but this all takes time to put into place. Appliances will be constantly on the move to back fill others, leaving their area vulnerable. This happening at a time when all of our neighbouring services are facing significant cuts.

Warwickshire for example have a policy not to commit anybody into a fire wearing Breathing Apparatus unless there are at least 2 of their appliances in attendance. Therefore, the arguments that (Warwickshire) Nuneaton could cover the Hinckley area if their 2<sup>nd</sup> appliance is removed is a flawed and misleading argument.

The closure of Central in conjunction with the loss of Western Station's second Fire Engine on Aikman Avenue amounts to a **50% cut in fire cover in the city of Leicester**. This means 6 Fire Engines would be cut to a devastatingly inadequate amount of just 3 Fire Engines, to cover a city with a population of 330,000 and rising.

The City (Central, Eastern and Western Station) currently receive well over 5000 calls a year, which is over half of the whole counties calls. This means there is often a number of incidents at any one time in the city. Therefore to have a high-rise incident, along with a house fire at the same time can easily tie up 7/8 Fire Engines, meaning fire engines would have to be travelling in from outside the city, and from rural areas in some cases, causing further delays to the public who need us most.

**This very likely 'multiple call factor' in the city has not been adequately addressed by LFRS** and it could have devastating consequences to the public.

# FIRE BRIGADES UNION

## LEICESTERSHIRE

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### Alternatives NOT explored sufficiently

There have been many alternatives suggested by councillors, employees and most recently retired senior officers. Despite a cross party letter from Leicestershire MP's asking management to explore alternatives with representative bodies, this has not happened and these ill-conceived proposals were produced with NO consultation whatsoever in their development.

Currently LFRS has a half empty, unneeded and expensive £11 million Headquarters at Birstall. We propose to sell HQ and relocate the small team from HQ to the empty offices at Central, requesting through DCLG to use the funds as a transformational budget to allow us to do much more collaborative working.

Use Fire as a Health Asset. Firefighters frequently enter people's homes to carry out Fire Safety checks, this presents opportunities' to take on additional roles. There is so much work we could take on from the Health Service which could be funded.

Share ALL support departments with either Council or other Emergency Services such as the Police and EMAS. Departments like HR, IT, Estates, Finance, Corporate Communication could all be shared.

Reduce or share senior management roles. If they are proposing to reduce the service by 1/3, then surely Senior Officers should be cut by 1/3, particularly when they collectively cost £1/2 million pound a year. Which is equivalent to running a day crewed Fire Station for the same period.

**ALL of LFRS' proposals are FRONTLINE, and will result in 1/3 less fire cover for the public, which will clearly compromise public safety. Before ANY such proposals went forward, all non-front line options (mentioned above) should have been fully exhausted – which disappointingly has not occurred.**

### Financial situation has been exaggerated

Attached to this document is the 'Medium Term Financial Strategy' presented to the CFA during the meeting on 24th September. This was presented immediately before the proposals were.

Page 10 shows the spending forecasts 2016 – 2020. It has been identified that there is no statutory requirement to have this forecasted 'Planning Provision' seen half way down this page.

If this expenditure is removed this would make a significant change to the deficit figures, leaving little requirement to make further cuts.



# FIRE BRIGADES UNION

## LEICESTERSHIRE

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Page 18 concludes that the merger of control room with Nottinghamshire is 'on hold' and we have been informed that this is unlikely to proceed simply because the two services cannot agree on the governance of this. This is entirely unacceptable.

Finally, Page 23 identifies £6.8 million reserves. The 'General Reserve' (£1.8 million) is a 5% reserve in place in case of a significant protracted incident. It has NEVER been used. Many other services have made the decision to reduce this to just 2%, releasing £1 million. This would go a significant way to fund the cost/risks of a referendum to raise Leicestershire Council Tax precept.

### **Referendum**

Leicestershire is the lowest council tax precept of any Fire Authority in the country, it cannot be right that we are feeling the impact of government funding cuts more than others simply because of this fact.

Just an additional 60p per household per month would remove the necessity to find any further savings. In a recent survey by the Leicester Mercury 93% of the public stated that they would be happy to pay this.

A joint referendum with the PCC referendum next year would significantly reduce the costs. In addition, the potential £1 million from the 'general reserve' could underwrite any risk of rebilling in the unlikely situation that a referendum is lost.

### **Conclusion**

We hope that this briefing demonstrates to you that not only are these proposals extremely dangerous to the public of Leicestershire but also that the financial situation has been exaggerated and there are many alternatives that could make these cuts entirely unnecessary.

These proposals are neither PROPORTIONATE OR SAFE, and must be REJECTED before any LIVES ARE LOST as a result of this ill-thought out plan.

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**Leicester, Leicestershire and Rutland  
Combined Fire Authority**

**Medium Term Financial Strategy –  
Issues and Options**

**Combined Fire Authority**      **24<sup>th</sup> September 2015**

# **Outline**

Background – where have we come from?

Budget 2015/16.

Current Projections.

Strategic Financial Issues.

# **Background**

# **Where have we come from?**

Most substantial government funding cuts ever experienced.

LFRS “spending power” is £34/head – lowest of all CFAs.

Second lowest council tax (£60.43).

Budget cuts of £9m approved since 2011/12.

# **LFRS - Context**

## **Estate**

- 20 Fire Stations
- 1 HQ
- 1 Workshop at County Hall
- 1 Training centre at Loughborough
- 1 Occupational Health Unit

## **Vehicles**

- 39 Standard appliances (30 operational)
- 12 Special appliances

## **Staff (FTE)**

- 405 Operational firefighters
- 28 Control Staff
- 15 Educational/Fire Protection Staff
- 94 Support staff

Supported by 231 retained firefighters

# **Budget 2015/16**



# **Budget 15/16 – Key Points**

Continuation of grant reductions.

Savings approved in two stages:-

- £2.7m per annum in February 2015
- Subsequent £3.3m from Operational Change Project

Reduction of 101 operational posts approved.

Funding gap of £2.1m by 2019/20.

# Summary

## Budget 2015/16

	<u>£m</u>	<u>£m</u>
<b><u>Expenditure</u></b>		
Employee costs		
• Operational	22.3	
• Other	4.5	26.8
Running expenses		7.6
Capital financing		2.7
		<u>37.1</u>
		26
<b><u>Income</u></b>		
Council tax		18.1
Business rates		3.3
Business rates top up grant		5.0
Revenue Support Grant		8.4
Other grant		1.2
Fees and charges		0.9
		<u>36.9</u>
		8

# Spending Forecasts – Spring 2015

	<u>16/17</u> £m	<u>17/18</u> £m	<u>18/19</u> £m	<u>19/20</u> £m
Spending	35.2	34.8	34.8	35.6
Resources	(35.3)	(34.2)	(33.8)	(33.5)

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**BUDGET GAP** (0.1) 0.7 0.9 2.1

Add back:-

Cost of posts disestablished but not vacated 1.0 1.7 1.8 1.3

**ACTUAL GAP** 0.9 2.4 2.7 3.4

**What has happened**  
**since June?**

# **National Funding**

Government manifesto:-

- £30bn cuts 16/17 to 17/18
- £12bn from welfare
- £13bn spending cuts
- Budget surplus by 2019/20
- Protection for health and education

# **Budget, July 2015**

Deficit reduction programme will take extra year.

Pace of reductions reduced, especially in 2016/17.

Defence added to protected services.

Public sector wages – 1% increases targeted.

# **What do we know now?**

OBR public spending estimates to 19/20.

No figures for individual government departments.

Government spending review 25<sup>th</sup> November.

Settlement expected “close to Christmas” – multi-year?

We are able to make assumptions about:-

- Spending on protected services
- Cuts falling on unprotected services

These assumptions are necessarily crude: implications for planning.

# National Resource Projections

	<u>15/16</u>	<u>16/17</u>	<u>17/18</u>	<u>18/19</u>	<u>19/20</u>
	<u>£bn</u>	<u>£bn</u>	<u>£bn</u>	<u>£bn</u>	<u>£bn</u>
National spending (OBR)	327.6	331.9	330.3	330.2	334.7
Less protected services	(250.1)	(256.1)	(261.5)	(267.4)	(274.6)
Unprotected services	77.5	75.8	68.8	62.8	60.1

Cuts to unprotected services                      2.2%           9.2%           8.8%           4.3%

NB: Protected services will exceed 80% of total by 2019/20.



# Government Grant Since 2013/14

	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>	<u>16/17</u>	<u>17/18</u>	<u>18/19</u>	<u>19/20</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>
Revenue Support Grant	11.8	10.2	8.4	7.6	5.4	3.5	2.4
Business rates top-up	4.7	4.8	4.9	4.9	5.0	5.1	5.3
Specific grant	1.3	1.3	1.3	1.3	1.3	1.3	1.4
Total	17.8	16.3	14.6	13.8	11.7	9.9	9.1
RSG cuts		13.9%	17.7%	9.3%	28.5%	36.1%	30.3%

Overall grant cut of 50% p.a.

# Tax History

	<u>Tax</u> <u>£</u>	<u>Tax Increase</u>	<u>Referendum</u> <u>Limit</u>	<u>Properties</u> <u>(Taxbase)</u> <u>(000)</u>	<u>Taxbase</u> <u>Increase</u>
2010/11	53.38			316	
2011/12	53.38	0%		318	0.8%
2012/13	53.38	0%	4%	320	0.7%
2013/14	58.38	9.4%	£5	283	N/A
2014/15	59.25	1.5%	2.0%	289	2.2%
2015/16	60.43	2.0%	2.0%	296	2.1%

# **Current Forecasts**

# Spending Forecasts

	<u>16/17</u> £m	<u>17/18</u> £m	<u>18/19</u> £m	<u>19/20</u> £m
Budget 15/16	34.3	33.3	32.5	32.4
Add inflation:-				
• Pay	0.3	0.5	0.8	1.1
• Other	0.1	0.2	0.3	0.3
• Savings – 2014/15 Outturn	(0.6)	(0.6)	(0.6)	(0.6)
Capital Programme cost	0.2	0.2	0.4	0.6
Planning Provision	0.3	0.6	0.9	1.2
<b>Budgeted spending</b>	<b>34.6</b>	<b>34.2</b>	<b>34.2</b>	<b>35.0</b>
<u>Add Back</u>				
Cost of posts disestablished but not vacated	1.0	1.7	1.8	1.3
<b>Actual forecast spending</b>	<b>35.6</b>	<b>35.9</b>	<b>36.0</b>	<b>36.3</b>

# Spending Forecasts : Assumptions

All agreed savings delivered!

Inflation:

- Pay rises at 1%
- Price inflation on specific costs only
- No provision for increments
- Pensions increases/contracted out NI

Capital Programme:

- As assumed in July

Operational Staffing:

- No compulsory redundancies
- Use of over-staffing reserve
- Staff leave when entitled to full pension

Inclusion of planning provision

NB: Figures assume no VR or secondment

# High Risk Savings already Assumed

£000

## 2015/16 Budget Savings

Merger of control room with Nottinghamshire – on hold	400
Telephony charges – awaiting business case	30
Bringing payroll in-house	40
	<hr/>
	470
	<hr/>
	38

## New OCP Savings

Introduction of Pooled crews – “grey book” negotiation required	854
	<hr/>
<b>Total High Risk Savings</b>	<b>1,324</b>
	<hr/>

# Spending Forecasts – Capital Programme

	<u>16/17</u>	<u>17/18</u>	<u>18/19</u>	<u>19/20</u>
Appliances		0.9	0.9	0.9
Property	0.7	0.7	0.7	0.7
Other	0.1	0.1	0.1	0.1
	<hr/>	<hr/>	<hr/>	<hr/>
	0.8	1.7	1.7	1.7
	<hr/>	<hr/>	<hr/>	<hr/>

Above all funded by borrowing/leasing.

# Managing Overstaffing : Proposals

A work in progress:-

- Secondments to other authorities
- Career Breaks
- Job shares
- “Early” retirement with enhanced commutation

These measures will narrow gap between budgeted and actual deficit.



# Redundancy

Clarification received that a firefighter who is made redundant can access their pension immediately (with relevant service).

Implications:-

- A cheaper alternative to early retirement
- Redundancy less unpalatable to those who can draw pension

Subject to legal advice, could consider redundancy for those aged 50 with 25 years' contributions.

# One-off Costs

## Redundancy

Firefighter	£8,000	to	£22,000
Watch Manager	£20,000	to	£28,000
Group Manager	£36,000	to	£44,000

## Early Retirement

One-off cost	£50,000	to	£90,000
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NB: Redundancy costs include 50% discretionary enhancement.

# Workforce Planning

	<u>16/17</u>	<u>17/18</u>	<u>18/19</u>	<u>19/20</u>	<u>20/21</u>	<u>21/22</u>
<b><u>Operational Headcount</u></b>						
Number on 1 <sup>st</sup> April	395	382	369	354	342	328
Less leavers	(13)	(13)	(15)	(12)	(14)	(14)
<b>Number on 31<sup>st</sup> March</b>	<b>382</b>	<b>369</b>	<b>354</b>	<b>342</b>	<b>328</b>	<b>314</b>
<b><u>Establishment</u></b>						
Number on 1 <sup>st</sup> April	394	352	332			
Budget reductions	(42)	(20)	(19)			
<b>Number on 31<sup>st</sup> March</b>	<b>352</b>	<b>332</b>	<b>313</b>			
<b>Over-establishment at year end</b>	<b>30</b>	<b>37</b>	<b>41</b>	<b>29</b>	<b>15</b>	<b>1</b>

# **Workforce Planning - Assumptions**

All operational staff leave in year they acquire full pension rights.

No other departures: voluntary departures and secondments will change figures.

Analysis not dependent on rank of retirees (internal promotion).

NB: Eventual need to recruit.

# Resource Forecasts

	<u>16/17</u> £m	<u>17/18</u> £m	<u>18/19</u> £m	<u>19/20</u> £m
<u>Local Resources</u>				
Council Tax	18.4	19.0	19.5	20.1
Business Rates	3.4	3.4	3.5	3.6
Fees and Charges	0.9	0.9	0.9	0.9
	<hr/>	<hr/>	<hr/>	<hr/>
	22.7	23.3	24.0	24.7
<u>Grant</u>	13.8	11.7	9.9	9.1
<b>Total Income</b>	<hr/>	<hr/>	<hr/>	<hr/>
	<b>36.4</b>	<b>35.0</b>	<b>33.9</b>	<b>33.8</b>
Grant	37.8%	33.5%	29.3%	27.0%

# **Resource Forecasts**

## **Assumptions**

### **Council Tax**

- 2.0% tax increases each year (assumed referendum limit)
- 1.0% increase in underlying properties (conservative)

### **Business Rates**

Growth in line with national projections

### **Revenue Support Grant**

Based on assumed cuts in national spending

- 9.3% in 16/17
- 28.5% in 17/18
- 36.1% in 18/19
- 30.3% in 19/20

These assumptions are best current estimates

# Spending and Resources

## Overall Summary

	<u>16/17</u>	<u>17/18</u>	<u>18/19</u>	<u>19/20</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>
Budgeted Spending	34.6	34.2	34.2	35.0
Resources	(36.4)	(35.0)	(33.9)	(33.8)
<b>Budgeted Gap/(Surplus)</b>	<b>(1.9)</b>	<b>(0.8)</b>	<b>0.3</b>	<b>1.3</b>
<b>Actual Gap/(Surplus)</b>	<b>(0.9)</b>	<b>0.9</b>	<b>2.1</b>	<b>2.5</b>

NB: These assumptions are volatile and accumulate all forecasting error throughout these slides.

# Overstaffing Reserve

	<u>16/17</u>	<u>17/18</u>	<u>18/19</u>	<u>19/20</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>
Balance on 1 <sup>st</sup> April	2.8	3.6	2.8	1.0
Potential addition	1.9	0.8		
Used	(1.0)	(1.7)	(1.8)	(1.0)
Balance on 31 <sup>st</sup> March	3.6	2.8	1.0	0

48

*Shortfall*

0.3

NB: Assumes no departures other than retirees.



# All Reserves

	<u>March'15</u> <u>£m</u>
Earmarked reserves:-	
• Overstaffing reserve	2.8
• Provision for redundancy	1.1
• Insurance	0.4
• Other	0.7
<b>TOTAL EARMARKED RESERVES</b>	<b>5.0</b>
<b>GENERAL RESERVES</b>	<b><u>1.8</u></b>

Potential to add £0.5m to provision for redundancy.

# Provision for Redundancy

£1m will cover:-

- Around 45 redundancies (firefighters with full service)
- Around 14 enhanced retirements

Monies for overstaffing and redundancy are two sides of same coin.

# Conclusions

Smaller gap in 19/20 than previously forecast (£1.3m per annum).

Forecast is volatile, and will change.

Maintaining full establishment will exhaust reserves by 2019/20.

Overall position is highly geared.

Some big approved savings are high risk.

Encouraging departures will reduce drain on reserves.

Redundancy more cost effective than commutation.

# Sensitivity

High level of gearing – lots of assumptions but budget is close to balance.

Impacts of:-

- 1% less council tax each year - £0.8m by 19/20
- RSG cuts 5% greater each year - £0.6m by 19/20
- Cessation of fire control merger and operational pooling proposals - £1.3m p.a. in 19/20

# **Strategic Issues**

# **Strategic Issues: Assets**

Estate and vehicles in good condition: substantial investment since 2007.

Right number of stations in right places? (Future of Central Station)

“Spend to Save” fire station investments? (2 for 1?).

Affordability of capital spending: capital programme adds £0.6m per year to budget by 2019/20.

Vehicle Planning:-

- Right numbers?
- Useful lives
- Appliances or tactical response vehicles
- Pooling of special appliances

# **Strategic Issues : Staffing**

Redundancy vs. Establishment Management.

Compulsory vs. Voluntary.

Need for new recruits in due course.

Balance needed between departures/future needs.

## **Strategic Issues : Other**

Delivery of agreed cuts.

Future of tri-county working.

Support Staff and Management Review.

Need for one-off money to manage change.

Detailed spending reviews?

- Zero based budgeting/cost centre management
- Preventative services (“Braunstone Blues”)
- Any specific areas?



# Proposed Timetable

- November - Financial strategy and draft budget to chairs (and CFA?)
- 25<sup>th</sup> November - Government publishes Spending Review
- Late December? - Financial Settlement
- February - CFA approves budget

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## RFU Interim Response to Leicestershire Fire & Rescue Service's draft IRMP

The following is a brief summary of our concerns relating to the draft IRMP proposals as contained in the draft IRMP.

The details surrounding Leicestershire's proposals are contained in 4.2 of the attached LFRS report:

The proposals that are being presented are:

1. *Remove one of the two wholetime crewed fire engines from **Loughborough** fire station.*
2. *Close **Central** fire station and sell the building.*
3. *Establish **Market Harborough** as a single fire engine wholetime crewed fire station.*
4. *Revise existing plans to introduce the Day Crewing Plus duty system at **Wigston** fire station by establishing a two wholetime crewed fire engine station.*
5. *As a consequence of establishing the revised crewing arrangements at **Wigston** and **Market Harborough**, close **Kibworth** fire station and sell the building.*
6. *Establish **Lutterworth** as a wholetime crewed single fire engine fire station. Wholetime fire engine to be crewed between 0700 hours and 1900 hours Monday to Friday. On-call cover will be maintained outside of these hours.*
7. *Replace the on-call fire engines at **Melton** and **Coalville** fire stations with Tactical Response Vehicles.*
8. *Replace the fire engine at **Billesdon** fire station with a Tactical Response Vehicle.*
9. *Remove the on-call fire engine from **Hinckley** fire station.*

It would appear that the service wishes to justify changes to Wholetime stations, which would reduce the Wholetime establishment (*Loughborough and Central*) by moving these Wholetime posts to other locations which are currently RDS, thus removing the need for Wholetime compulsory redundancies.

Last year **Loughborough** only responded to 289 calls, excluding False Alarms (FAs) at a cost of **£6,656** per call. Yet the proposal is to have a Wholetime appliance at the station - why? 50% of all station calls last year were to FAs. The cost of the station last year was just under £2m. The potential for savings at this station is huge by using a duty system other than the inflexible 4-shift system. Such a change would not increase risk by any notable amount (if any).

Last year 64% of **Central's** calls were false alarms. Non-false alarm calls totalled 481.

**Market Harborough** responded to 82 calls last year (exc. FAs) yet the service proposes to transfer a Wholetime establishment to the station - why? The cost per call at Market Harborough was just **£3,082** last year.

**Wigston** only responded to 206 calls last year (exc. FAs) at a cost of **£6,133** per call. The Day Crewing Plus (DCP) model clearly isn't what is needed here.

**Kibworth** has a lower rate of FAs (32%), and cost only **£2,754** per call last year (exc. FAs), why close this station other than to attempt to justify the Wholetime establishments within the surrounding areas?

**Lutterworth** is the second most cost-effective station behind **Ashby**, costing only **£1,795** per call last year (exc. FAs). FAs were at the lower end of the scale at 38% yet the proposal is to place a Wholetime crew here from 0900-1700 Mon-Fri. Is there high risk during these periods? Does the risk reduce outside of these periods? Will a Wholetime crew at Lutterworth stop incidents occurring compared to a Retained crew? The answer to all these questions is no. So what is the real reason for the proposal?

There is no justification to replace generic fire appliances with small Tactical Response Vehicles (TRVs) at **Coalville** and **Melton Mowbray**. TRVs may be the lasted fad within principle officers across the country but it is hard to see how such a change provides any real benefit, TRVs may be useful in areas such as the West Midlands but to compare a metropolitan service with Leicestershire is not appropriate.

Again, our view is that the proposed change is to reduce the number of call types these appliances can attend and justify other changes across the service by increasing their number of calls.

We see no justification to remove the **Hinckley** appliance that responded to 200 calls last year (exc. FAs) at a cost of £4,211 per call last year.

We appreciate call levels, call type and cost are not the only considerations to be used when formulating changes within an IRMP but they are primary issues.

The consultation document does not demonstrate any significant risk to justify the current proposals and neither do these proposals contain measures to overcome appliance availability issues at any of the RDS stations that are experiencing difficulty or state how having a Wholetime establishment at a specific station somehow reduces risk; two major points relevant when taking into account public safety and best value for the taxpayer.

There are plenty of opportunities to better utilise the Retained workforce in Leicestershire and reduce the need to rely on some Wholetime establishments which would realise massive savings, the exact thing the proposals are supposed to identify.

We note that the proposals do not contain any station costs which seems odd considering that the main reason for the proposals was to identify savings.

All the figures are as a direct result of a FOI request to the service. The only figures that have been formulated are the costs per call which are calculated using the service's own data.

We would also like to make reference to Sir Ken Knight's Report, 'Facing the Future', which made a number of recommendations including a better utilisation of Retained firefighters. It appears from the contents of the draft IRMP that the service disagrees with Sir Ken's report, is this the first of the Fire Authority?

*Anthony Morgan*  
**RFU President**

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## Retired Members of LFRS Open Letter

### Summary Document

#### Concerns and Suggested Alternative Measures for 2016-2020 IRMP

Concern that public opinion is not seriously taken into consideration following consultation.

Concern that the consultation period is too short and fails to comply with Government guidance,

Concern that the consultation is insufficiently well targeted and fails to reach those people the exercise is intended to reach.

Concerns that the consultation does not allow for appropriate comment on each of the proposals and is very limiting in the single comment box that is provided.

Concern that the consultation process is not in accordance with the Gunning Principles

Concerns that CFA decision making resides with a small executive; that there is no scrutiny of decisions and that elected members may have insufficient training for them to form opinion on issues raised in IRMP proposals.

The CFA and the Chief Fire Officer should explore the idea of a council tax increase in support of LFRS.

Fire and rescue Service HQ should be sold in order to reduce the debt burden on LFRS.

That fire cover should be maintained in the City centre, head quarters staff to be relocated to Central station and other locations if required.

Fire appliances coming to the end of their lease period should be purchased by the Service (a comparatively minimal cost compared to that of a new vehicle) and be retained in service for a further 5 years.

TRV's are not a suitable front line appliance and suggest that the two pumps ear-marked for removal in the 2015-2020 IRMP be redeployed in place of TRV's.

Consideration to be given to establishing day duty staff at retained stations and use them to bolster retained availability.

LFRS to enter into discussion with representative bodies in order to explore the future of day crewing plus and its funding.

We suggest that LFRS explore opportunities for transitional funding in support of greater collaborative working with EMAS and other health agencies.

Considerable financial savings can be made by curtailment of wasteful expenditure on things such as LFRS cars, uniform and uniform embellishments which appear to be subject to frequent and unnecessary change.

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Dated 23 October

Is it not possible for a rescue vehicle-based at Kibworth?

As you are stating you don't attend so many fires anymore as trapped people. Where you need thing like cutting equipment.

Pauline Lindsay  
Kibworth Harcourt Parish Councillor

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**SCRUTINY COMMISSION – 4 NOVEMBER 2015**

**LEICESTERSHIRE COUNTY COUNCIL ANNUAL PERFORMANCE  
REPORT 2015**

**REPORT OF THE CHIEF EXECUTIVE**

**Purpose of Report**

1. The purpose of this report is to present the draft Annual Performance Report for 2015. The views of the Scrutiny Commission are sought on the Annual Report, prior to submission to the Cabinet on 18 November and full County Council on 2 December 2015.

**Policy Framework and Previous Decisions**

2. The Annual Performance Report forms part of the County Council's Policy Framework. The information outlined in the year end performance report will help the County Council and its partners to improve services so they are of a high quality and value for money by providing performance data on which it can make more informed decisions.

**Background**

3. It is best practice in performance management to undertake a review of overall progress on key performance areas at the end of the year and to benchmark performance against comparable authorities. It is good practice to produce a good quality annual performance report and ensure that it is scrutinised, transparent and made publicly available.
4. The Annual Performance Report (Appendix 1) covers the performance of the County Council over the last 12 months or so. It draws largely on 2014/15 comparative data though older data is included where more up to date information is not available. In some cases the data is more recent, such as the summer 2015 school examination results.
5. The Report is in two parts – the first part is narrative describing delivery, progress with implementing agreed plans and strategies and achievements over the last 12 months. It largely focuses on performance against the priorities of the County Council as set out in the Strategic Plan and other main service strategies.
6. The second part contains hard comparative performance data showing current service and theme performance. Comparative data is sourced from a range of acknowledged data sources including the Local Government

Association LG Inform national data system, Public Health and Adults Social Care Outcomes Frameworks data, OFSTED and Department for Education data sets and Chartered Institute of Public Finance and Accountancy (CIPFA) data. There is some comparative data still to be published - notably some attainment and children's social care data.

7. The report is presented as a draft document, and will continue to be improved to incorporate points made by the Scrutiny Commission and Cabinet (18 November) as well as the availability of any final national comparative data, prior to finalisation at the full County Council meeting on 2 December. The final Annual Performance Report will be properly formatted and published online via the County Council website.
8. Overall analysis of the narrative shows strong examples of delivery across the theme areas. There are good plans and governance in place supporting delivery and improvement. Overall provisional analysis of the available comparative performance data shows that Leicestershire continues to be amongst the highest performing counties nationally. There has been improvement on a number of priority indicators (circa 100) during the last year and a good number are in the top quartile for performance. Particular areas of improved performance over the last year include -
9. **Leadership and Transformation** – improvement in the percentage of residents who think that the Council is doing a good job and providing value for money, as well as increased customer satisfaction with our Customer Service Centre, improved complaints reporting and handling and improvements in our website rating. Implementation of our transformation programme including delivery of efficiency savings and ensuring we remain an efficient and low spending authority. Increased satisfaction with the Council as an employer and that the Council is committed to equality and diversity. Maintenance of our high equalities practices with increased black and minority ethnic (BME) staff as a percentage of our workforce and an increased percentage of women in senior management roles.
10. **Economy** – positive progress with delivery of our economic priorities with strong improvement across virtually all economic indicators including economic growth, high speed broadband access, new enterprise generation, increased tourism jobs and economic impact, increased Level 2 and Level 4 qualifications in the workforce, reduced unemployment and increased employment rates, reduced NEETs (those young people not in employment, education or training) and increased participation in employment, education and training at age 17, positive housing site supply, and increased delivery of additional and affordable homes. **Transport** improvements have seen positive delivery of a range of projects producing high levels of road and winter maintenance, strong satisfaction with highways, and increased numbers of bus journeys.
11. **Health and Care** – continued prioritisation of improvements in our health and care system and services through greater levels of service integration. Improvements during the year include reduced admissions of older people

to permanent care, enhanced hospital admissions avoidance through new schemes, reducing delayed transfers of care out of hospitals, improvements to ensure more 65+ residents are still at home after reablement, increased dementia diagnosis, higher numbers of learning disabled residents supported in their own home or with their family, and higher levels of service user satisfaction with their care and support. Public health is generally better than comparable areas with increased life expectancy, reduced cardio-vascular disease, cancer and respiratory mortality, reduced female health inequalities, reduced smoking prevalence, HIV late presentation reduced, and improved adult participation in sport and reduced inactive adults.

12. **Children** – this year has seen increased numbers of families supported through the Supporting Leicestershire Families programme and delivery of targets for families turned around, positive children’s centre ratings, enhanced satisfaction with early help services, positive delivery of new single child care assessments, and improvements in the numbers, speed and waiting times for adoption. There have also been improvements to care leavers in employment, education and training, and accommodation and improved health support to looked after children including dental, health checks and immunisations. Early years providers, schools and special schools assessed as good/outstanding have increased and secondary school absence reduced. Take up of free early education by 3/4 year olds, early years good level of development, Key Stage 1 points score and Key Stage 2 results for Level 4 in Reading, Writing and Maths have improved. In relation to child health there have been reductions in smoking at the time of delivery, improved breastfeeding prevalence at 6-8 weeks, reduced child excess weight (obesity) and reduced teenage pregnancies.
13. **Safer Communities - Environment/Place** – the last year has seen reductions in total crime, domestic burglary, violence with injury, first time entrants to the criminal justice system, anti-social behaviour and criminal damage as well as improved public perceptions of partners dealing with anti-social behaviour and crime and people getting on well together. In relation to the environment there has been a continued reduction in business miles claimed and in Council carbon emissions, reduced total household waste, waste landfilled and County Council waste produced. Better place work has seen increased tourism visitor numbers.

### **Improvement Plans Delivery**

14. Despite the overall strong delivery reported and progress across a wide range of priorities there is a need to maintain a continued delivery focus in a number of areas including taking forward a number of agreed strategies and improvement plans. There is also some time lag in the performance data and now a higher risk that reductions in government funding, such as the recent reduction in public health grant, and forecast reductions in revenue support grant will in future make it difficult to maintain good delivery levels and target service improvements where required. It is therefore important that the Council continues with its service

transformation programme and to press for fairer funding for the County, its services and schools. Other areas for continued focus include:-

- (a) Progressing plans for a Combined Authority and implementation of the Local Transport Plan to continue the strong economic and transport partnership work and to progress issues such as business survival rates, workforce skills development, road congestion, road casualties and safety, cycle routes and CO2 arising from transport.
- (b) Continuing the positive work through the Health Integration Executive, Health and Wellbeing Board and Health Scrutiny to support and challenge improvements in the local health and care economy including improvements in local mental health services, such as Child and Adolescent Mental Health Services, through the new mental health improvement plan, reducing emergency admissions and pressures on the hospital system through the Better Care Fund Plan, continued improvements in and satisfaction with access to care through a new Adult Care Strategy, and targeted improvements in areas of public health priority such as breastfeeding initiation and child tooth decay through the Health and Wellbeing Strategy.
- (c) Ensuring that the Local Educational Excellence Partnership (LEEP) is carrying forward analysis, sharing learning on progress and driving improvement actions, where required, to ensure the dynamic and changed local educational landscape delivers higher outcomes for students, particularly at Key Stages 4 and 5. Maintaining the focus on delivering the highest quality children's social care services, including stable child care placements and lower levels of repeat care plans.
- (d) Continued partnership working with the Police and Crime Commissioner, Police and Crime Panel and Community Safety Partnerships to ensure lower vehicle crime levels, low domestic abuse levels and reduce youth reoffending.
- (e) Further progressing action plans to support workplace health and reductions in staff sickness absence.

### **Resource Implications**

15. The report has no direct resource implications. The Strategic Plan delivery and areas for improvement are aligned with the existing Medium Term Financial Strategy.

### **Timetable for Decisions**

16. The Cabinet will be updated with the views of the Scrutiny Commission at its meeting on 18 November. The Annual Report is scheduled for consideration by the County Council at its meeting on 2 December.

**Background Papers**

Leicestershire County Council Strategic Plan 2014-18

**Circulation under Local Issues Alert Procedure**

None

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**Appendices**

Appendix 1 - Draft Leicestershire County Council Annual Performance Report 2015

Appendix 2 - Performance Dashboards

**Relevant Impact Assessments:****Equality and Human Rights Implications**

17. The Annual Performance Report incorporates the progress of the County Council against key equalities commitments and indicators.

**Crime and Disorder Implications**

18. The Performance Report highlights progress against key community safety priorities and targets.

**Environmental Impact**

19. The Performance Report includes progress against a number of environmental priority areas and reports progress against the Environment Strategy.

**Partnership Working and associated issues**

20. The Performance Report considers progress in relation to the key priorities of key County partnerships.

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# Leading Leicestershire: Transforming Public Services

Leicestershire County Council  
Annual Performance Report 2015



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**Performance Data Dashboards**

## **Introduction and Overall Performance Summary**

Local government continues to face critical challenges. We have been given the most difficult funding position since World War II with significant reductions already made to government funding to the Council and further significant reductions to come. There is also increasing demand on a range of services, including from our ageing population.

In Spring 2014, following widespread public consultation, the County Council agreed three major strategies in response to these challenges; a new Strategic Plan to 2018 setting out targeted priorities for service delivery and improvement; a three year Medium Term Financial Strategy to support delivery of the Strategic Plan and achieve the savings required; and a major new Transformation Plan setting out the programmes and projects necessary to reshape the Council and services.

The Strategic Plan sets out priority areas with supporting performance measures and targets across 5 key themes – leadership and transformation, enabling economic growth, better care through health and social care integration, supporting children and families and safer communities – a better environment and place.

This Annual Report summarises progress on delivering on the changes and priorities set out in our Strategic Plans as well as other improvements to services over the last 12 months. Detailed comparative performance data is set out in Part B of the report.

### **Performance Summary**

Overall analysis of the narrative shows strong examples of delivery across the theme areas. There are good plans and governance in place supporting delivery and improvement. Overall provisional analysis of the available comparative performance data shows that Leicestershire continues to be amongst the highest performing counties nationally. There has been improvement on a number of priority indicators (circa 100) during the last year and a good number are in the top quartile for performance. Particular areas of improved performance over the last year include -

**Leadership and Transformation** – improvement in the percentage of residents who think that the Council is doing a good job and providing value for money, as well as increased customer satisfaction with our Customer Service Centre, improved complaints reporting and handling and improvements in our website rating. Implementation of our transformation programme including delivery of efficiency savings and ensuring we remain an efficient and low spending authority. Increased satisfaction with the Council as an employer and that the Council is committed to equality and diversity. Maintenance of our high equalities practices with increased BME staff as a percentage of our workforce and an increased percentage of women in senior management roles.

**Economy** – positive progress with delivery of our economic priorities with strong improvement across virtually all economic indicators including economic growth, high speed broadband access, new enterprise generation, increased tourism jobs and economic impact, increased Level 2 and Level 4 qualifications in the workforce, reduced unemployment and increased employment rates, reduced NEETs and increased participation in employment, education and training at age 17, positive housing site supply, and increased delivery of additional and affordable homes. **Transport** improvements have seen positive delivery of a range of projects producing high levels of road and winter maintenance, strong satisfaction with highways, and increased numbers of bus journeys.

**Health and Care** – continued prioritisation of improvements in our health and care system and services through greater levels of service integration. Improvements during the year include reduced admissions of older people to permanent care, enhanced hospital admissions avoidance through new schemes, reducing delayed transfers of care out of hospitals, improvements to ensure more 65+ residents are still at home after reablement, increased dementia diagnosis, higher numbers of learning disabled residents supported in their own home or with their family, and higher levels of user satisfaction with their care and support. Public health is generally better than comparable areas with increased life expectancy, reduced CVD, cancer and respiratory mortality, reduced female health inequalities, reduced smoking prevalence, HIV late presentation reduced, and improved adult participation in sport and reduced inactive adults.

**Children** – this year has seen increased numbers of families supported through the Supporting Leicestershire Families programme and delivery of targets for families turned around, positive children's centre ratings, enhanced satisfaction with early help services, positive delivery of new single child care assessments, and improvements in the numbers, speed and waiting times for adoption. There have also been improvements to care leavers in EET and accommodation and improved health support to looked after children including dental, health checks and immunisations. Early years providers, schools and special schools assessed as good/outstanding have increased and secondary school absence reduced. Take up of free early education by 3/4 year olds, early years good level of development, Key Stage 1 points score and Key Stage 2 results for Level 4 in Reading, Writing and Maths have improved. In relation to child health there have been reductions in smoking at the time of delivery, improved breastfeeding prevalence at 6-8 weeks, reduced child excess weight (obesity) and reduced teenage pregnancies.

**Safer Communities - Environment/Place** – the last year has seen reductions in total crime, domestic burglary, violence with injury, first time entrants to the criminal justice system, anti-social behaviour and criminal damage as well as improved public perceptions of partners dealing with anti-social behaviour and crime and people getting on well together. In relation to the environment there has been a continued reduction in business miles claimed and in Council carbon emissions, reduced total household waste,

waste landfilled and LCC waste produced. Better place work has seen increased tourism visitor numbers.

### **Improvement Plans Delivery**

Despite the overall strong delivery reported and progress across a wide range of priorities there is a need to maintain a continued delivery focus in a number of areas including taking forward a number of agreed strategies and improvement plans. There is also some time lag in the performance data and now a higher risk that reductions in government funding, such as the recent reduction in public health grant, and forecast reductions in revenue support grant will in future make it difficult to maintain good delivery levels and target service improvements where required. It is therefore important that the Council continues with its service transformation programme and to press for fairer funding for the County, its services and schools. Other areas for continued focus include:-

Progressing plans for a Combined Authority and implementation of the Local Transport Plan to continue the strong economic and transport partnership work and to progress issues such as business survival rates, workforce skills development, road congestion, road casualties and safety, cycle routes and CO2 from transport.

Continuing the positive work through the Health Integration Executive, Health and Wellbeing Board and Health Scrutiny to support and challenge improvements in the local health and care economy including improvements in local mental health services such as CAMHS through the new mental health improvement plan, reducing emergency admissions and pressures on the hospital system through the BCF Plan, continued improvements in and satisfaction with access to care through a new Adult Care Strategy, and targeted improvements in areas of public health priority such as breastfeeding initiation and child tooth decay through the Health and Wellbeing Strategy.

Ensuring that the Local Educational Excellence Partnership is carrying forward analysis, sharing learning on progress and driving improvement actions, where required, to ensure the dynamic and changed local educational landscape delivers higher outcomes for students, particularly at Key Stages 4 and 5. Maintaining the focus on delivering the highest quality children's social care services, including stable child care placements and lower levels of repeat care plans.

Continued partnership working with the Police and Crime Commissioner, and Police and Crime Panel and Community Safety Partnerships to ensure lower vehicle crime levels, low domestic abuse levels and reduce youth reoffending.

Further progressing action plans to support workplace health and reductions in staff sickness absence.

## **Leadership and Transformation**

### **Transformation**

The Council's financial strategy requires savings of £86.3m between 2015/16 and 2018/19. In order to help achieve some of the savings the Council in 2014 launched a new Transformation Programme, with a range of supporting projects, targeting £40m in savings. Progress on transforming services and improving outcomes in priority areas is set out in the service theme sections of this report, while the work of our supporting 'enabler' projects to improve community capacity, digital delivery, commissioning, business intelligence, property asset management and staff capabilities is set out below. The Council has made good progress in delivering savings in 2014/15 achieving an overall underspend, including efficiency savings made early, of £4.7m, but there is a long way to go on the significant savings still required.

**Communities Strategy** - we have agreed a new strategy for working with communities and in May the Council agreed a supporting Communities Delivery Plan, including ideas generated from workshops with local people. Progress is being made on delivering the plan, which includes securing over £450,000 for voluntary projects to support vulnerable people, the launch of community bus partnerships, and support to help communities run local libraries. New contracts are also now in place with voluntary sector organisations to help build greater capacity in the community.

In January proposals were agreed to invest £2.3m in voluntary and community sector services aimed at supporting the most vulnerable children and families, whilst saving over £750k. In addition an event was held to acknowledge the many unsung heroes who volunteer within their local communities. In coordination with the closure of the Kegworth Community Centre at the end of March, replacement provision for community activities in Kegworth has been provided by an extension to Kegworth Village Hall and associated internal improvements. County Council funding has been supplemented by local fundraising to maximise the benefits of the project. The new facilities, opened at the beginning of April 2015, provide modern sustainable accommodation and have been welcomed by the local community. In October the Council supported 'Make a Difference Week' to highlight the range of volunteering which goes on in Leicestershire to help local communities.

**Digital Delivery** – following extensive user research our new customer focussed website has been launched. The first phase went live in April 2015, to coincide with the implementation of the Care Act and the site will be fully operational from autumn 2015. A number of new technologies have also been piloted during the year including unified communication and collaboration tools. These pilots have been successful and business cases are now being developed to enable implementation across the Council. The business case for implementation of a new virtual desktop infrastructure has also been approved. Work with partners has continued with a new public sector Wi-Fi solution providing shared connectivity across County Council and health

locations. Resilience and disaster recovery (DR) capability has been improved through completion of a server virtualisation programme, and implementation of a new DR testing regime. Approval has been given to replace the current County Hall data centre and work will begin shortly. A further programme of infrastructure upgrades has taken place to ensure continued Public Services Network (PSN) compliance. Further work has also been completed to develop the Council's approach to cloud technologies and a number of business systems are being run using 'software as a service'.

**Customer Services** – growing customer expectations and shifting customer behaviours mean that the Council needs to keep improving performance and delivering quality services across multi channels. During 2015, in addition to the improvements that the Digital Services Team has made to the website, we have implemented changes to ways of working within our Customer Service Centre which has significantly improved performance and customer satisfaction. During 2014/15, we have answered 84% of all calls received across the various teams within the Customer Service Centre, which is a significant improvement on the 68% answered two years ago. The overall satisfaction rating for our Customer Service Centre for 2014/15 was 81% and represents an improvement on the previous year. The Customer Relations Team continues to support customers with speedy and effective resolution of complaints. During 2014/15, the Council received 293 recorded corporate complaints, representing an 8% increase on the previous year. During the year the Council also responded to over 1,000 requests for information under the Freedom of Information Act.

**Commissioning** - understanding what residents need and making sensible decisions to meet those needs is a key element of commissioning. Good commissioning is vital if we are to get the best outcomes for local people at best value. We have agreed a new Commissioning Strategy and approach which is being implemented through our Effective Commissioning Enabler project and a new Centre of Excellence for Commissioning. In September we joined with local partner agencies to form a new Local Commissioning Academy to share best practice and achieve better outcomes. We have also established a supporting 'Commissioning Toolkit' to help integrate commissioning across the Council and with partners. Council spending on the procurement of goods and services from local suppliers was worth £142m last year and we continue to deliver efficiency savings on procurement spend. 50% of procurement spend is with small and medium-sized firms.

**Business Intelligence** – good service commissioning and delivery requires high quality intelligence about customers and communities. In order to provide this we have agreed a new Business Intelligence Strategy, appointed a new Head of Business Intelligence, and are establishing a new Business Intelligence Service, with effect from April 2016. We have also redeveloped our Leicestershire Statistics and Research online website with new content, including refreshed health and care needs assessment data sets, and are piloting the use of new data analysis tools. A new *Care and HealthTrak* system is being introduced, bringing anonymised information together across health and care organisations, showing how patients move through the health

and care system. The new information will help organisations to better plan, commission and evaluate services together.

**Asset Management** – in June we agreed an ambitious new Corporate Asset Management Plan with actions to increase property income, rationalise assets and make energy savings through a range of property projects. The plan sets out how we will use our land and buildings more effectively to generate capital receipts, save money and provide better facilities to support the delivery of public services. The plan proposes a package of measures including achieving £400k of annual energy savings by 2017/18 through measures such as solar panels and a bio-mass boiler at County Hall. Support for economic development and jobs, including the investment of £3.6m grant funding for workspaces in North West Leicestershire, more flexible working and better use of space to enable more offices at County Hall to be rented out to partner organisations and £56m of investment in the provision of new schools and school extensions. The plan will generate around £28m from the sale of council land and property over the next four years. Successes from the previous strategy include the development of joint offices with Harborough District Council, support for Loughborough University's Science and Enterprise Park and the delivery of over £18m from property and site disposals.

Leicestershire Partnership Trust staff moved into County Hall at the end of September, supporting health and social care integration as well as providing the Council with extra income. Our plans to have 8 desks for every 10 people are also well underway. The first phase of refurbishment of Anstey Frith House has been completed and the County Hall registration service has now relocated and is operational from the new premises. Further investment is planned in 2015/16 to create an out of hours facility for staff. Plans for a new Property Asset Management system are also progressing with the first phase going live in September 2015. In relation to our new Corporate Asset Investment Fund, the first scheme was completed during 2014/15 and the land is now let, generating a new income stream for the Authority. The £6m Symington building project, completed on time and on budget, replaces four buildings and means the library, museum, register office, adult learning, social care and a touchdown point are now under one roof in a modern fit for purpose building, alongside the District Council, Citizens Advice Bureau and Job Centre.

**People Strategy** - our recent staff survey showed that 91% of staff agree that the Council is a good employer and more than three quarters agree that there are opportunities to work flexibly, an increase of more than 15% since 2012. Our Black Workers group, Disabled Workers group, LGBT group and Carers group provide important forums for staff to make a difference and identify improvements in the Council's policies and practices. The Council's LGBT group was awarded the East Midlands' Network Group of the Year, at the Stonewall Top Midlands Employers Awards for the second year in a row. The Council was also highly commended for its work on LGBT issues, including anti-homophobic bullying work in schools. The Council ranks 17<sup>th</sup> of the 397 organisations who take part in the Stonewall Equality Index of LGB-friendly



employers. We have also developed 'Straight allies' who are Council staff that strive to create a workplace culture that is inclusive of everyone.

**Workplace Health** – our sickness absence levels have seen some increase and we have established new plans to tackle this including robust management of cases and additional support to staff. We have also pledged to further support staff who are carers through a new working carers group. Our HR Service in consultation with Public Health Services are leading the development of a workplace health and wellbeing strategy for the Council. A cross-departmental group has been established to self-assess the organisation against the National Workplace Wellbeing Charter standards and to devise and promote new health and wellbeing initiatives. This will be undertaken in collaboration with 60 workplace health champions that have been recruited from within the workforce.

**Equality and Diversity** – we continue work to progress equality, diversity and human rights to improve outcomes for local people. We assess the impact of new or significant changes in policy and services on the diverse population of the County through Equality and Human Rights Impact Assessments (EHRIA). These have resulted in improvements across a range of services. We have also commissioned 'theBigWord' to manage and improve the quality of our interpretation and translation services to help anyone in contact with the Council who experiences a communications barrier. Consultation and engagement with diverse communities is important to us. The Leicestershire Equalities Challenge Group is being further developed and we continue to host meetings of the Interfaith Forum, tackling subjects such as 'Faith and Poverty' in February 2015. The forum creates opportunities to foster good relations between different groups and builds on the area's reputation for good relations.

In March, the Council invited 70 young women aged 11 to 19 to celebrate International Women's Day and female achievements, as well as to understand the struggles many women face across the world. The event celebrated the work of suffragettes who fought for the right to vote and to end discrimination. Each year we implement an equality and diversity training plan with a range of learning and development for all staff. As part of the plan we have a range of positive action "spring" programmes for staff who are under-represented in managerial roles – 'spring into action' for LGBT, BME, carers and disabled staff, 'springboard' for women non-managers and 'spring forward' for female managers. The Council's recent staff survey found that 92% of staff agree that the Council is committed to equality and diversity and 89% agree that they were treated with fairness and respect at work.

**Scrutiny of Local Services** - our Overview and Scrutiny bodies continue to support the Council through reviewing and scrutinising decisions, considering performance issues and assisting in policy review and development. During the last year scrutiny has been involved in influencing a number of key areas including the new Communities Strategy, the impact of changes in funding to the voluntary sector, support for the delivery of economic growth projects, the enhanced role for Council traded services, infrastructure support to help

communities to run local libraries, services for the homeless and a new service model to help people to live at home. Also scrutiny work has contributed by considering school age range changes, child sexual exploitation, Hinckley area transport improvements, the North West Leicester Transport Plan, performance of the urgent care system, health and care integration and lessons to improve health care.

**Value for Money and Efficiency** – General Government grant (Revenue Support Grant) reduced by £10.4m (12.4%) in 2014/15. Latest government announcements mean that the Council will have to find significantly more savings than the £87m we had planned for over the next four years. The Council has already saved more than £100m since the previous Government announced the need for austerity measures. The Council has had to take difficult decisions such as to close Snibston Discovery Park and cut back school transport. In February the Council agreed a new budget which will result in savings of £86.3m over the next four years, including £35m in efficiency savings. Efficiency savings include reductions in senior management and administration, better commissioning and procurement and service redesign. As a result of our efforts to achieve efficiency savings the percentage of residents who think we offer value for money increased to 86% during the last year.

The Council is the lowest funded County Council and this is reflected in our efficient and low spending levels. If we were funded at the same rate as the average County Council we would be £31m better off. If we were funded at the same level as Nottinghamshire and Derbyshire we would be £69m and £60m better off respectively. The same rate as given to East Sussex would see us £113m better off. We continue to press the government through work with our local Leicestershire MPs to ensure fairer funding for the County to help address our low funding position. We also continue to work on behalf of our schools through the F40 group to achieve fairer funding for schools and in particular to confirm that recent additional funding will be available in future years allocations.

## **Enabling Economic Growth**

Ensuring that we have a thriving economy underpinned by good infrastructure that creates jobs and prosperity is one of our top priorities. A strong economy enables local businesses to grow and local people to improve their standards of living.

**Economic Delivery through a Combined Authority** - in July in collaboration with the City Mayor and district council Leaders we submitted proposals for a Combined Authority for Leicester and Leicestershire, to allow for greater government devolution of powers and to help us to improve how economic growth, skills, transport and planning is delivered. As part of our proposals we intend to prepare a long term strategic growth plan to set a framework for future local plans, prepare a joint strategic transport plan with clear investment priorities, and to coordinate the skills programme across Leicester and Leicestershire. Following public consultation in autumn 2015, detailed proposals for the Combined Authority will be published early in 2016.

**EU Structural and Investment Funds** – businesses and communities from across Leicestershire have the opportunity to receive support from the LLEP's €126m (worth £93m) European Structural and Investment Funds (ESIF) 2014-2020 programme. Future funding will be available in a range of areas including low carbon initiatives, research and innovation, business support, social inclusion, skills development and the rural economy, to deliver services and schemes to boost the local economy. We are working closely with potential delivery partners to support the process and ensure that high quality, relevant applications are submitted. We have worked closely with the LLEP to develop eight Sector Growth Plans for the county's identified priority sectors: food and drink manufacturing, creative industries, low carbon, textiles manufacturing, logistics and distribution, engineering and advanced manufacturing, tourism and hospitality and professional and financial services. The plans will steer future investment in skills and the economy.

**Enabling Growth Plan** - in March we agreed a new Enabling Growth Plan setting out the investments we are progressing to support local economic growth. The Council is investing £37.8m in growth projects, which will help lever £70m from other sources. As well as strategic transport improvements the plan supports investment in workspaces and units, development of the Council's own land, site and building assets, expansion of superfast broadband delivery and £1.5m to support development of Loughborough University Science and Enterprise Parks. The Royal Bank of Scotland Regional Growth Tracker reports that the Leicestershire area grew by 2.9% on the year, which compares well against the 2.7% regional growth figure.

## **Investment in Place**

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

**MIRA Enterprise Zone** - in February the Government agreed to extend the area covered by the Enterprise Zone at MIRA Technology Park. Work is set to begin on access roads at the site, following the award of nearly £13m of Government funding. Since development began at MIRA, a total of 354 jobs have been created. The aim is to create up to 2,000 high technology jobs at MIRA, while a further 3,000 indirect jobs will be created as a consequence within the Midlands supply chain. The ongoing development work has proved to have a very positive impact on the construction sector with an ongoing total of over 170 construction workers involved in creating the infrastructure and new research and development facilities.

**New Multi-site Enterprise Zone** - the LLEP has submitted proposals to Government for the establishment of a new Enterprise Zone (EZ) to complement the one at MIRA. The proposal is a multi-site zone comprising Loughborough University Science and Enterprise Parks, the Charnwood Campus (former Astra Zeneca complex in Loughborough) and Waterside/Pioneer Park in Leicester. If designated as an EZ, firms locating in the zone will benefit from business rates relief and relaxed planning rules, with the LLEP retaining business rates which will enable reinvestment in the local economy.

**Loughborough University Science and Enterprise Parks (LUSEP)** - the first phase of construction of the new Advanced Technology Innovation Centre (ATIC) at Loughborough University began in 2014 and construction of required infrastructure started in January 2015. It is anticipated that ATIC had over half occupancy when it opened in September 2015. The centre will provide high specification office, studio and desk space for up to 50 companies, ranging from early-stage businesses to large SMEs. ATIC's development is being supported by the European Regional Development Fund and the Council contributed £450,000 that also included Government City Deal and Charnwood Borough Council funding. When fully developed, the site will provide up to 200,000 sq. m of floor space and will be home to businesses employing up to 6,000 people.

**Town Centre Development** - in November 2014 significant improvements to the Oadby and Wigston Town Centres were officially opened. The £1m project was designed to boost business in the two towns and include newly-paved areas and additional street furniture and trees. The project was funded by European funding, the County Council and District Council contributions.

**Growth Deal** - positive progress continues to be made in securing funding to support local businesses and create jobs. The Growth Deal signed in March secures funding to regenerate Melton cattle market and improve workspace provision in Coalville. Growth Deal funding plays a crucial role in delivering our strategic transport plans outlined within the Strategic Transport Infrastructure section.

**Superfast Broadband** - the Superfast Leicestershire broadband programme is providing high-speed fibre broadband to rural businesses and communities, boosting business growth and ensuring access to a range of existing digital services. An additional 35,000 premises now have access and we are on track to increase access to a further 37,000 premises. By the end of 2018, it's expected that more than 360,000 homes and businesses across Leicestershire will have access to fibre broadband thanks to the original £18.8 million Superfast Leicestershire contract, a £9.2 million contract extension signed in March and BT's own commercial roll-out of the technology. This includes £5m investment from the County Council. In July 2015, the Superfast Leicestershire programme secured £2m of gain-share reinvestment from BT in anticipation of the consumer take-up reaching 30%. We have worked closely with communities and stakeholders to boost consumer demand and have already achieved in excess of 20% take-up in enabled areas. This funding will be re-invested into the programme to extend coverage further.

### **Investment in People - Employment and Skills Support**

Working closely with the LLEP, Leicester City Council and other stakeholders the Council is seeking to ensure that Leicestershire residents are adequately skilled to take advantage of the opportunities of growth and that these skills match the current demands of businesses in Leicestershire and act as an attractor to businesses looking to start up or locate to the County. Our Enabling Growth Plan supports employment schemes including employability skills in schools, work clubs, enterprise hubs and the wheels to work scheme.

**Socially Excluded Groups** - the LLEP has been allocated €63m from the European Social Fund (ESF) to support people who are furthest from the labour market on their pathway to employment; to support those who are work ready to secure sustainable employment; and to upskill the existing workforce.

**The Leicestershire Work and Skills Forum** - co-chaired by the Council and Job Centre Plus this group brings together employment and skills with organisations from across Leicestershire including FE colleges, private training providers, district councils and voluntary groups. The Forum shapes the wider Leicester and Leicestershire employment and skills agenda driven by the LLEP. Activity supported by the Work and Skills Forum includes: the Get Inspired Careers Event aimed at helping school children consider their future careers; supporting the Leicester Business Festival; appointing Enterprise Advisers across the county as part of the Careers and Enterprise Company network of advisers. The Forum is contributing to the development of a Leicestershire toolkit of employability.

**Work Clubs** – with over 5,000 visits and 95% positive feedback, work clubs and enterprise hubs held in libraries across the county have been a great success. In the last year 27% of visitors to the clubs achieved job successes and 40% were referred on to training, 230 business ideas were supported with 7 new businesses established. The clubs provide dedicated support and advice with job applications and CVs, access to training opportunities and volunteering, self-employment advice and help to develop business plans.

**Jobs Fairs** – three jobs fairs were held during 2014/15 (Hinckley, Fosse Park and Loughborough) attracting over 1,200 attendees. The job fairs enable people to access new careers by offering information and advice on the local job market and relevant training opportunities. They are organised by the Council in partnership with district councils, Job Centre Plus, further education providers and a range of private sector companies. Following earlier successes a further job fair was held in September 2015 at Fosse Park.

**Wheels to Work** - the Wheels 2 Work scheme is the largest scheme of its type in the country and aims to remove transport barriers to work and training by offering low cost hire of electric and motor scooters for up to 6 months. It is offered to residents aged 16 to 60 travelling to employment or education, who are not already benefiting from other transport bursaries. Last year, 176 clients were provided with transport, and approximately 80% have remained in employment or training.

**Adult Learning** – the Council's Adult Learning Service continues to promote opportunities for people to improve their skills. There were 8,451 enrolments for all Adult Learning Programmes during the academic year to 31 March 2015. Over a third of participants enrolled in programmes with vocational outcomes or English and Maths provision. Activity taster days offer the chance to sample different courses including languages, creative arts and IT as well as to get advice on learning plans and education options. The Service also continues to offer a range of GoLearn courses including free English and Maths and part-time day, evening and weekend courses covering a host of topics. Many courses are free for people on low incomes or in receipt of benefits. GoLearn also has a team of trained information, advice and guidance (IAG) advisers who provide support. In January the quality of IAG was recognised by its achievement of a national 'quality mark' for its work. The award means learners are receiving the best-possible information, advice and guidance and that adult learning services are of the highest standard. Outcomes for our Traineeship Programme were rated 'Outstanding' by Ofsted and we were awarded an overall service grade of 'Good' by inspectors.

**Apprenticeships** - over the year we supported 67 apprentices working across all departments in roles such as administration, finance and customer services. The Adult Learning Service has a further 124 apprentices enrolled on apprenticeship programmes working for other public and private sector employers in Leicestershire. As part of our Get Set Project, 77 young people also participated in bespoke work experience and training opportunities across the Council. The project supports young people aged 16-24 into 3-6 month voluntary work experience placements across a range of departments. Its aim is to tackle youth unemployment through bespoke opportunities directly tailored to the individual's career aspirations and personal needs. Each young person is supported by a mentor whose role is to provide structured, positive work experience based on the individual needs of the young person.

**Reducing NEETs** - the Council's Adult Learning Service traineeship programme for 16-24 year olds who are not in education employment or training (NEET) has enrolled 39 candidates. The participants have been engaged through a variety of partner organisations including the Prince's Trust and Connexions, and are currently in training, on work placements or have completed the programme. The 5 year Princes Trust Talent Match Programme also continues to provide bespoke employment support for 18-24 year olds who are not in employment, education or training (NEET) in the Coalville area. During 2014, 27 participants gained work experience placements, exceeding the programme target of 25. Data for 2014/15 shows a Leicestershire NEET figure of 3.1%, an improvement on last year and amongst the best recorded rates in the country.

**Employment** - Leicestershire's employment rate of 76.6% in March 2015 continues to exceed our target of 75.6%. Our employment rate remains above the regional (73.5%) and national (72.5%) positions. We can also report improvements in unemployment within the County. Since March 2014, the unemployment rate has shown a downward trend to mirror the reducing JSA rate, which was 1% in March 2015. This remains lower than the regional and national positions of 1.9%.

### **Investment in Business**

Our new Enabling Growth Plan sets out a range of interventions including the business loans fund and business grants which support development and jobs growth. These investments aim to make the county more attractive to investors, help local businesses become more competitive and create more and better jobs for local people.

**Rural Business Growth and Support** – in November the Council and Leicestershire Rural Partnership (LRP) secured nearly €2m (worth £1.5m), through the EU LEADER programme, to support rural businesses in East Leicestershire. Priorities for the programme include: increasing farming and forestry productivity; growing the food and drink sector; developing a short stay visitor destination; and thriving market towns. The programme launches in October 2015. The LRP leads on rural economic policy for the LLEP and has worked closely with local stakeholders to develop the LLEP's EAFRD programme. The first call for projects in August 2015 was for grants, between £35K and £140K for small and micro enterprises in rural areas focussing on tourism, food and drink, farm diversification and providing rural workspace.

**LLEP Business Gateway** - our partnership work with the LLEP has helped to establish the Leicester and Leicestershire Business Growth Hub, known as the 'Business Gateway'. This was launched by the LLEP in November 2014 and acts as the central online portal for business related advice. The Business Gateway provides a signposting service to local and national business support programmes, as well as having easily accessible information and guidance to help businesses start up, develop and expand. Developments such as this are important in helping to promote business growth and survival in Leicestershire.

**Business Loans** - the County Council has set up a £1m programme with Funding Circle, the UK's leading online marketplace for business loans, to support firms looking to expand and grow and help create employment opportunities in Leicestershire. In 2014/15 the council invested £283,340 to support £1,477,000 total loans for 30 businesses. In addition the council has supported 14 rural businesses with £42,000 grants.

**Social Enterprise** - the Council's Social Enterprise Grant Fund awarded 15 social enterprises £20,000 in grants over the year. The fund was established in 2012/13 to support existing and emerging social enterprises with grants of up to £3,000. The funds are designed to help vulnerable groups such as people with disabilities, older people and people not in employment.

**Support for Businesses through Broadband** - the Superfast Leicestershire 1-2-1 Business Support project, funded through ERDF, delivers an extensive programme of broadband demand stimulation activities that educate SMEs about the benefits and opportunities that high-speed broadband and new technologies can bring. In 2014/15 approximately 200 businesses were supported through the programme. £71,700 has also been secured through ERDF to help women boost their economic well-being by taking full advantage of superfast broadband to either start a business or work from home.

**Trading Advice** - our Trading Standards Service also provided advice and guidance to 1340 businesses trading within the County, to help them comply with their legal responsibilities. 111 start-up businesses were also given free advice on how to make their enterprises grow.

**Tourism** - tourism has continued to make an important and growing contribution to the economy in Leicestershire. The economic impact value of tourism in Leicestershire was £1.57 billion in 2014. This was an increase compared to £1.48 billion in 2013 and compares favourably to the East Midlands increase of 3.1%. The Council funds Leicestershire Promotions Ltd to promote leisure and business tourism in the county. Further details of our work to make Leicestershire a better place for tourism is set out in the better place section of this report.

## **Strategic Transport Infrastructure**

An effective and safe transport network is an enabler of growth and vital to the local economy. We continue to progress delivery of our Local Transport Plan priorities and Implementation Plan to 2017, to support economic growth, reduce congestion, increase road safety and support more sustainable travel. We are also playing a lead role in helping develop a unified strategy for investment in transport infrastructure in the midlands through the Midland Connect initiative, to maximise the growth potential of the area.

**Railway System Improvements** - the electrification of the Midland Mainline is critical to the economic growth of the county. In summer 2015, the Council



expressed deep concern at the government pause of the electrification and asked the Secretary of State to begin an urgent review of Network Rail planning so that it can be resumed quickly. The electrification has now been approved, though on a later timescale than hoped for. We are looking at how the strategic rail network in Leicestershire can be improved, providing better local rail services and even re-opening lines that have been closed to passenger traffic. A high level study is being progressed, including looking at potential passenger services on the Leicester to Burton line, to inform business cases for government investment into rail infrastructure.

**Major Transport Schemes Supporting Growth** - in March 2015 we set out further plans to improve Leicestershire's transport network to support economic growth, reduce congestion and provide more sustainable travel options. We have successfully completed phase 1 of a multi-million pound scheme to improve the transport network in the Hinckley area. This scheme improves access to work opportunities, supports the regeneration of Hinckley town centre and encourages people to make shorter journeys on foot or by bike. In April work commenced on the £2m phase 2, including improving the transport network in Earl Shilton and Burbage. The scheme includes building a walking and cycling network, safety measures, traffic management, and improvements to bus facilities. The scheme should help ease congestion, improve road safety and make it easier to travel sustainably. We are continuing to develop and consult on phase 3 of the scheme, which will include measures in Burbage and which is due to start in spring 2016.

We have undertaken work to prepare proposals to significantly improve Junction 22 of the M1 which start on site in autumn 2015 and to develop proposals for improving Junction 13 of the A42. This will support significant housing and employment growth in Coalville and Ashby.

In May exhibitions were held for people to find out about a new bridge over the M1 motorway. The £10m bridge, which is now being constructed, will span the M1 from Meridian Way and will support access to the new Lubbesthorpe development, which will provide 4,230 new homes in the county. The bridge will help to reduce congestion and the impact of traffic on Beggars Lane and the A47. In July, work also commenced on a multi-million pound project to improve road links between North West Leicestershire and Leicester aimed at improving journey times and reducing congestion. Roads and junctions along the A50 corridor are being improved and made safer with better pedestrian and cycle crossings and additional cycle lanes. The Council also consulted on possible proposals for Hugglescote Crossroads, aimed at relieving congestion at the junction and accommodating future housing growth in Coalville.

In October 2014 the £19.3m Loughborough Town Centre Transport scheme was officially opened by the transport secretary. This opening marked the completion of a regeneration scheme that links two halves of the town centre, previously severed by the busy A6. The scheme is boosting the town's economy, whilst at the same time improving road safety, easing congestion, and improving air quality. A pilot scheme is also being trialled in Ashby to promote the night time economy and road safety by provision of a new 19 bay

taxi parking space operational on Friday and Saturday nights. In addition work was completed on the final piece of the Loughborough Town Centre Transport scheme, including improvements to the junction with Belton Road and a cycle-friendly toucan crossing.

**Schemes Supporting Housing Growth** - we are working jointly with Melton Borough Council on a study to identify measures to address traffic problems and support the delivery of potentially around 4,000 dwellings in the town as well as over 20 hectares of employment land. We are also working jointly with Harborough District Council on a transport study of Market Harborough. The study will identify transport measures that will ensure that the town's economy can continue to thrive and not be adversely impacted by housing growth, including over 1,000 new dwellings to the north west of the town. Across the County, there was a significant increase in the number of additional homes provided during 2014/15.

**Road Safety** – In 2014/15 £440k was spent on transport schemes to improve road safety. In early summer we made road improvements in Syston to improve safety at a key junction as part of a £55k scheme. The improvements make it easier to cycle and walk to the town centre. In April, work was carried out to improve road signage in Market Harborough. The work involved replacement of 58 signs with 25 new ones to reduce clutter and driver confusion. The reduced number of signs will also reduce maintenance costs. The work follows a similar initiative in Melton Mowbray. We continue to support motorcyclists to improve their riding skills, through our Enhanced Rider Scheme. Since it was set up in 2010, more than 400 riders have taken part. In addition our pre-driver days help to prepare 16 and 17 years olds for getting behind the wheel with road safety, hazard awareness and Highway Code advice as well as a practical off-road driver lesson. A drive to tackle unsafe parking also saw 1,853 motorists ticketed during August - the Council took enforcement action against people parking in contravention of the parking restrictions posing a potential road safety hazard. All monies generated are used to run the service. Despite road safety work the numbers of road casualties and those killed or seriously injured were higher last year after a number of years of reductions.

**Sustainable Travel** – we are working to encourage more sustainable modes of travel. In the Hinckley area we are introducing schemes such as commuter cycle courses, subsidised bus fares for people attending interviews, improvements at schools to encourage cycling and walking, car sharing and improvements to bus information and personalised travel advice. The work won a sustainability award in 2014. As part of sustainable travel improvements around the A50 corridor, people in the Ratby and Glenfield area can now avoid roads using a newly improved cycle path – the newly widened and sealed path runs for two miles on a former old railway line. Our free Smarter Travel for Business Toolkit and advice continues to make a difference. For example, work with major employer Next, including travel roadshows, bike MOTs and introduction of a car sharing scheme, has seen three times as many staff travelling in a more sustainable way.

**Bus Services and Park and Ride** – the Council's Park and Ride Service, with sites at Birstall, Enderby and Meynells Gorse continue to offer a quick and convenient way of getting into Leicester whilst avoiding the cost of city centre parking. During the year we have introduced a direct link to the Leicester Royal Infirmary and De Montfort University from the Enderby site, following work with both partners. In August, we announced plans to boost park and ride services through an increase in the Enderby service from four buses an hour to five and in September we offered free return travel on the services on Thursdays in order to further promote their benefits. Working in Partnership with MIRA and Hinckley and Bosworth Borough Council we have also secured an enhanced local bus network for the area connecting MIRA with Hinckley, Nuneaton and Tamworth. Through funding awarded through the regional growth fund the contract provides opportunities for local residents to access employment and training opportunities now and in the future at MIRA through an innovative tendering approach.

Signs to provide real-time bus information to passengers have been installed on the A426 Better Bus Area corridor and in Loughborough (Summer 2015). The Smart element of travel passes went live in early 2015, helping to reduce fraud and identify faulty passes. The passes also provide improved information on usage, by recording pass use by ticket machines on the bus. Bus patronage overall increased during 2014/15.

**Concessionary Travel and Community Transport** – in relation to concessionary travel we have revised our timetable and fare structure to better balance customer needs with the overall costs of the service. We are using the Rural Sustainable Community Transport Initiative Fund to help support local Community Transport providers to improve their service provision.

**Walking and Cycling** – we continue to promote the benefits that cycling has, on health, fitness and the environment. Free adult cycling courses were run throughout the summer for people looking to improve their confidence and skills on two wheels. Pupils' artwork was also used to encourage children and parents to walk to school. New 'Park and Stride' banners were created by pupils taking part in our design competition to encourage parents and carers to leave the car for part of the journey and travel on foot. 'Park and Stride' not only helps to reduce congestion and pollution around the school gates, but also encourages families to have a healthy start to the day.

**Highways Maintenance** – a total of £15.6m was spent on highways asset maintenance last year including £10.7m on roads, £1.8m on footways and rights of way and £1.26m on bridge maintenance and strengthening. Road maintenance locally was also improved through our success in attracting additional funding of £1.5m from the Government to repair roads damaged by flooding. We also secured an extra £2.6m from a 'pothole' fund set aside to help councils repair roads. The Council has made significant progress in tackling pothole problems. Improved maintenance techniques have reduced the number of potholes and include a shift from reactive to proactive maintenance including tackling cracked patches of road before they become

potholes as well as better reactive maintenance. Due to these improvements the number of potholes has fallen from 7,276 in 2012/13 to 5,471 in the last year. The average time to tackle the most serious potholes on main roads has reduced from 7.5 days to 3.1 days. In January Leicestershire Highways was successfully reaccredited with ISO 9001, which recognises our Quality Management System for highways work. Roads in Leicestershire continue to be amongst the best maintained in the country.

**Floods and Winter Maintenance** – last year proved to be a colder winter than usual with a higher level of salt being issued. Our gritters were out on the road network over 70 times as opposed to the usual 50 to 55. The Council has 17 gritters which spread roughly 170 tonnes of rock salt and molasses each night, covering 1,200 miles of highway, which is 45% of the road network. A 50 strong team of snow wardens is also on standby and ready to clear and grit key footpaths.

**Street Lighting** – in order to help reduce energy costs in November 2014 we agreed to invest £25m over four years to convert all our 67,000 street lamps to LED bulbs and to replace illuminated bollards. LED bulbs use less energy and have a longer life. The initiative will reduce expenditure by around £2m per year and reduce energy use from street lighting by 60%. The work on converting street lights to LED technology is progressing well and we are also implementing a new Central Management System to allow us to remotely control and monitor our street lighting stock. Full implementation will take place over the next three years.

**Traffic Intelligence** - in November 2014, we commenced a ground breaking partnership to bring together air quality and weather monitoring systems, traffic modelling and forecasting tools and traffic management systems into an integrated solution to help mitigate the effects of local traffic air pollution. The system will work with our urban traffic control system to optimise traffic signal timings, provide real-time updates for traffic, congestion and air quality and provide journey time information with links to social media and variable message sign infrastructure.

## **Better Care – Health and Social Care Integration**

Health and care integration continues to be a high local and national priority. We are working hard to support the five year transformation plan Better Care Together which is operating across Leicester, Leicestershire and Rutland. The Better Care Together programme aims to improve services and outcomes for local people and will result in more integrated care being delivered in community settings in the future, including in the home. In support of this leaders from Leicestershire Health and Wellbeing Board and Integration Executive are already making a difference by pooling our resources through the Better Care Fund to integrate health and care. Some of the progress of the work on integration projects and care improvement schemes is set out below.

**Unified Prevention** – we continue to develop a unified prevention offer for local people so that ultimately a set of core services are accessible across Leicestershire, targeted to keeping people safe and well in the community. The core services already include information and advice, the First Contact scheme, carers support, the Lightbulb housing project and Local Area Coordinators.

**Integrated Community Teams** – work has been undertaken to align our Adult Social Care teams with Community Health Services locality teams as a first stage in our journey towards integrated frontline services in the community. Pilot schemes have been operated in Melton and Harborough and were rolled out to the rest of the County from July 2015.

**First Contact** – our First Contact scheme provides a one stop referral point to a range of prevention support. The service continues to grow with more referrals, partners and GP practices involved, and helps with our shift to early intervention and prevention. First contact has also extended its role to provide signposting to community support for people in financial crises. We are also integrating First Contact with a wide range of health improvement and social support including telephone support from health and wellbeing advisers, the new *My Health My Life* service which provides holistic assessments, advice, support and signposting to self-help resources and onward referral to community and specialist provision. Opportunities are also being explored to further integrate provision with Local Area Coordination and Lightbulb Housing services. Our GP Carers Service is also delivering 8,000 hours of carers support per year. We have also designed an improved offer for Assistive Technology. .

**Lightbulb Housing Support** – work is progressing on implementing a £1m Lightbulb Project to help people with housing needs to keep safe, well and warm at home. A new integrated team of housing officers, occupational therapist, assistive technology and adaptations specialists has been established to support people with housing maintenance and provide technology to help people avoid going into hospital and ensure they can stay independent. The project will provide vulnerable and older people with one

point of contact for all housing support such as aids and adaptations, energy advice and home maintenance in order to support hospital discharge, prevent falls and keep people warm.

**Local Area Coordination** – we are piloting a new Local Area Coordination scheme to support people who are vulnerable to contribute to the community and to strengthen the capacity of communities to welcome and include vulnerable people to prevent social isolation. Eight area coordinators commenced work in May and a community champion network is being established in the pilot areas. The project aims to build individual, family and community resilience and help avoid demand on other services.

**Reducing Emergency Admissions** - four major schemes have been supported through our BCF plan to help reduce emergency hospital admissions – a rapid response falls service working with East Midlands ambulance service, 7 day working in primary care, rapid assessment unit for older people at Loughborough Hospital and our integrated health and care crisis response service. Between January and July 2015 the schemes helped to avoid 1047 admissions. A study is underway in partnership with Loughborough University and Healthwatch to evaluate how admissions to hospitals are being reduced, supported by computer modelling, simulation, patient interviews and focus groups. The evaluation will assess patient journeys through community alternatives to hospital admission or accident and emergency. Despite the BCF admissions avoidance work emergency admissions to hospital during the last year have continued to grow and additional work is underway to analyse activity and tackle the root causes of the sustained pressure on acute care. This work is being led through the local multi-agency Urgent Care Board.

**Falls Service** – the BCF funded Leicestershire Falls Service is helping to reduce the risk of older people suffering death and injury from falls and joining up health and care services. Around 440 people have avoided hospital and received care and support closer to home through 134 trained paramedics assessing people who have suffered a fall. Joint working with the East Midlands Ambulance Service and a single point of access telephone number connects paramedics direct to integrated health and social care teams in localities, to ensure rapid handover for ongoing care and support.

**Rapid Assessment Unit for Frail Older People** – a rapid assessment unit for frail older people launched in October 2014 at Loughborough Hospital to help reduce hospital admissions. Since its launch the most common referrals have been chest infections, unexplained falls, urinary tract infections and heart problems. The Unit can test for and organise support for all these conditions, avoiding the need for people to go to A and E or have overnight stays at hospital. The team at the unit includes social care staff, an advanced nurse practitioner, therapy staff and a geriatrician. Each patient is given a comprehensive assessment and receives onsite diagnostic tests.

**Integrated Crisis Response Service** – the social care crisis response service had 1000+ cases referred in its first year, helping to reduce hospital admissions. The night nursing service element went live in September 2014, extending the existing service to 24/7 cover. The service provides combined health and social care support for up to 72 hours in a care crisis, such as where a carer falls ill or if there is a change in a persons' condition, to avoid admission to hospital. The service is provided to the patient in their own home within a response time of 2-4 hours.

**Improved Hospital Discharge** - action plans are in place through the local Urgent Care Board and supported through BCF fund resources and government winter pressures money to help improve hospital discharges. Housing discharge support has been established in the University Hospitals of Leicester (UHL) and the Leicestershire Partnership Trust (LPT) Bradgate Unit. A review of all care packages after 2 weeks duration and bridging packages of care from UHL and LPT have been implemented. Intensive social care discharge support at UHL and extra residential reablement placements have also been commissioned. As a result delayed transfers of care have shown significant improvement in Leicestershire in recent months, with the BCF target achieved in May and the lowest numbers delayed since April 2011.

**Data Integration** – to improve health and care outcomes we are looking to better target service provision through improved business intelligence. As part of the approach we have implemented Care and Health Trak which provides our local health and care system with the very first joint database which is able to track the type and location of care received across the various health organisations and local authorities across Leicester, Leicestershire and Rutland (LLR). The new system went live in August allowing users to see how people treated within LLR move between services provided by different agencies and how these interconnect. This means partners can plan services more effectively to deliver care when and where it is needed.

### **Better Adult Social Care**

To support Better Care we aim to have high quality local social care services for older people, vulnerable adults, carers and people with disabilities.

**Care Act Reforms** – the Care Act 2014 aims to make access to care and support clearer and fairer. Since the introduction of the Act in April 2015, we have been implementing various changes such as carer support, including personal budgets for carers, advocacy provision, updating charging policies, our deferred payments offer and safeguarding policies. We have consulted with customers on their experience of care services, worked closely with health partners to improve processes, progressed pre-paid cards as a more effective way for people to buy support, improved our Customer Service approach, and produced new guidance and training to staff regarding Care Act duties. We have also reviewed and updated our online information not only to reflect key changes, but also to make the language more accessible and to assist people to find the information that they seek. This has been

supported by the involvement of customers through our Information and Advice Reference Group.

**Carers** – a new Carer Support Service and a Carer Respite Framework Agreement were put in place following public consultation about how carers wanted to be supported. We have a countywide service providing advice, information and support to all informal carers. If the impact of caring is significant we offer a flexible approach to carer support through a one off payment or a regular personal budget which was highlighted through the consultation as the preferred model of support. The Carers Health and Wellbeing Service has been extended countywide to offer support, advice and information to carers in Primary Care settings in Leicestershire, who have not as yet identified themselves as a carer or who as a carer require support and information to remain mentally, emotionally and physically well.

**Innovation in Prevention** - we established an Innovation programme in 2011 with the overall purpose of enabling a changing offer from Health and Social Care providers and encouraging innovation in the marketplace. The programme, in its 3<sup>rd</sup> year, is a two year allocation of up to £40,000 and aims to support preventative approaches to priority groups. A total of 15 providers were awarded a grant this year including a support App for stroke survivors, outdoor pursuits for adults with mental health problems and a community 'GrowCookShare' project. By working with partners, providers, carers and customers a model of prevention was co-produced which has formed the basis of our Adult Social Care prevention offer – including maximising community assets, and targeting support towards those most at risk of needing social care support in the future.

**Personalisation** – the proportion of service users in receipt of a personal budget has increased to 91%. With regard to carers 98% of assessed carers are in receipt of a personal budget with 95% taken as cash. In 2014 Leicestershire took part in the Personal Outcomes Evaluation Tool survey with 82% of service users saying their views were taken into account in planning, 80% of personal budget recipients saying their views are taken into account in their assessment and 90% reporting that they received help to plan their budget.

**Extra Care Housing** – extra care housing offers people a way to maintain independence by providing a flexible and cost effective alternative to residential care. We have been working with partners to deliver extra care housing developments to enable people to live in their own homes, with care and support available on site. There are five extra care developments across the county and demand is expected to increase due to a rise in the number of people aged 75 and over who wish to live independently. We provided £1.3m towards East Midlands Housing Group's extra care development in Blaby which opened in September 2015. It has 50 apartments and 13 bungalows. We also plan to contribute £1.5m towards the Group's extra care development in Loughborough which is currently being planned. It will have 62 units of extra care provision. Work is also continuing to identify suitable locations for extra care across the county. We are also working with partners in the NHS to



provide more health and therapy services for residents needing reablement after a hospital stay but unable to return to their own home at that point. The reablement service at Oak Court is a six month pilot commencing in October 2015.

**Reablement** services are being focused on the new 'locality hub' service footprint. All hospital discharges where there is a reablement need will go via our Home Care Assessment and Reablement Team (HART) to maximise reablement and help people stay independent at home. During 2014/15 83.5% of older people were still at home 91 days after discharge from hospital to reablement, an increase on 2014 and meeting our targets.

**Help to Live At Home** – there are 100+ providers of home care in Leicestershire and together with the NHS we spend around £45m serving 3,500 vulnerable people. Over the next five years we expect shorter stays in hospital with improved support to people at home. To prepare for this we are working with the CCGs to jointly redesign and improve home care so that it is fit for the future. Following a review we are transitioning to a new jointly commissioned home care service in 2016 to focus on joint outcomes.

**Tacking Isolation** – recent data indicates that people who use services do not have as much social contact as they would like. As well as the new Local Area Coordination approach the Council currently funds 15 projects which work with older people and people with mental health issues or disabilities at risk of becoming isolated and lonely. The projects help people develop new interests and mix with people.

**Warm Homes** – disability charity the Papworth Trust and fuel poverty charity National Energy Action (NEA) have been chosen to deliver our 'warm homes, healthy homes' project. A grant from our public health team means the charities will be able to help vulnerable people in Leicestershire to stay warm and healthy in their homes by offering free advice and support, as well as ensuring people are getting the best energy deals and keeping warm.

**Dementia Support** – in May the Council supported dementia awareness week with a number of projects including advice on easier and simpler ways of managing finance in old age. The new Memory Support Service funded in partnership with the local Clinical Commissioning Groups promotes early diagnosis of dementia across all settings. The service offers information and advice throughout the dementia pathway, from the point of concern about memory issues, through diagnosis and treatment, up to the service user's death and post-bereavement support for family carers. The offer includes carers education, carers groups, and memory cafes where both carers and cared-for can participate in a variety of activities. Dementia diagnosis rates also increased to 57% during the year from 48%, progressing towards the targets set.

**Support for People with Learning Disabilities** - to support the Transforming Care agenda we led on a successful Department of Health Capital Grant application on behalf of LLR to develop accommodation, including a step up /

down provision with the aim of facilitating the discharge of people on the “Winterbourne list” back into community settings within Leicestershire. 50% of people with a learning disability who are known to ASC have had a review which is an increase of 7% on last year. Reviews have been focussed on people in supported living, out of area placements, high cost packages and people who were previously part of the health homes re-provision project. The % of adults with a learning disability who live in their own home or with family increased to 65% during the last year.

**Residential Care** - the Quality Improvement Team offers a strengthened approach to contract management through working with providers of care services to raise standards and improve care practice. The team works in partnership with Safeguarding and Compliance Teams within the Council, and continues to develop and strengthen links with health colleagues to support the NHS Pressure Ulcer Ambition and to reduce the amount of medicinal waste in residential care setting. We are currently looking at the way we support providers and are moving towards a model which aligns with local commissioners and offers providers a more streamlined monitoring process and single point of contact for contract management and support.

**Care Quality** – in April we recognised a number of care providers across the county through provision of dignity in care awards and certificates for reaching high quality standards. The awards illustrate that the providers have met 10 challenges including helping older people to stay independent. We also continue to work with Care Home leads in Clinical Commissioning Groups to improve safeguarding and quality.

**Adult Safeguarding** - the Care Act includes major reforms to the legal framework for adult social care and to the duties of local authorities including safeguarding adults at risk. During the year the Safeguarding Adults Board has carried out major revision of adult safeguarding policies and procedures to secure care act compliance and addressed frameworks for financial abuse, domestic violence and abuse, the needs of carers, self-neglect, modern slavery and forced marriage. The Board is developing outcomes focused, person centred safeguarding practice alongside partners - 'Making Safeguarding Personal'. Partner agencies compliance with safeguarding standards was tested during the year with the Council and key partners assessed as effective. Approaches to serious case reviews have also been reviewed. In December the Safeguarding Board delivered its improving Standards in Care Conference. Intervention of the Quality Improvement Team in care homes has also shown a positive impact this year in reducing substantiated incidents in those homes.

**New Adult Social Care Strategy** – in September we launched consultation on a new Adult Social Care Strategy to ensure a future sustainable model of Adult Social Care in view of continuing reduced resources. The Strategy aims to ensure cost effective care and support and target resources where they can make the greatest impact. The approach will ensure that we take a proactive, problem solving and person centred approach with customers and work with partners to help residents take more responsibility to maintain their wellbeing

and independence. By making the most of their own resources and resources on offer in Leicestershire's communities. We will also continue to integrate health and care where this allows greater efficiency in delivery and work with partners to deliver the BCT Five year plan.

### **Better Public Health**

Our public health functions play a key role in contributing to our aim of a healthy population with increased life expectancy and reduced health inequalities. A number of public health issues have been prioritised in our Health and Wellbeing Strategy and the importance of getting health right from childhood is supported through our Healthy Child Programme.

**Life Expectancy and Health Inequalities** - we are committed to addressing health inequalities, which are the health differences between people or groups due to social, geographical, biological or other factors. Tackling the causes of health inequalities is central to the work we do to improve the social, economic and cultural environment for the people of Leicestershire. A number of the initiatives below are targeted to contribute to reducing health inequalities and improving life expectancy. Life expectancy increased for both males and females during the last year and index of inequalities improved for females but not males.

**Health Checks** – public health continues to fund the NHS Health Check programme that is delivered through Primary Care services. Patients between 40-74 years are invited for a check once every 5 years. A Health Check is composed of 13 elements which identify cardio-vascular risk, diabetes, and substance misuse. Lifestyle advice is also offered where appropriate. Since 2013, 320,951 Leicestershire residents have received a Health Check, though take up dropped slightly last year to 46.6%.

**Respiratory and Cardiovascular Disease** - much of our work contributes to the prevention of respiratory and cardio-vascular disease (CVD). This includes tobacco control and stop smoking services; NHS Health Checks; weight management for adults; work to increase physical activity; and our healthy housing advice and referral service to reduce cold related deaths and illness. We also provide public health advice and support to ensure treatment and wider prevention programmes and services for respiratory disease and CVD are effective and accessed by those who need them the most. CVD mortality further improved last year to 68.5 per 100K population and respiratory disease mortality to 23.9.

**Cancer Mortality** – we are working with partners to reduce levels of premature mortality from cancer through prevention, encouraging healthy lifestyles and through facilitating early detection and intervention. Leading a healthy lifestyle is known to reduce the risk of developing certain cancers for example by eating a healthy balanced diet, maintaining a healthy weight, drinking less alcohol, stopping smoking, protecting skin from sun damage and availing of cancer screening programmes. We are also working with NHS

partners to promote earlier diagnosis and to improve pathways into timely care.

**Healthy Weight and Diet** – ensuring we maintain a healthy weight and diet is becoming an increasingly critical public health challenge. Since 2011 we have significantly increased investment in obesity related programmes and begun a process of expansion and development of our weight management programmes in order to meet growing demand. In 2015-16 we re-commissioned our child and adult weight management services from Leicestershire Nutrition and Diabetic Service (LNDS), taking the opportunity to enhance the services with new specialist programmes and expand the available tier 1 community based programmes. LEAP, our tier 2 adult weight management programme doubled in scale and became available in every district in 2014-15. In 2015 -16, we are adding new targeted weight management programmes for the South Asian population (DHAL), pregnant, pre and post natal women and men (through weight management programmes linked to sports clubs).

In 2014/5 we commissioned Weightwatchers to deliver 1500 free 12 week courses via 100 local Weightwatchers groups. We are now seeing productive collaboration between local providers, for example linking Weightwatchers users into community physical activity programmes. The master gardeners scheme, supported by the Council's Food for Life Programme, supports residents to grow their own food. Local fresh food has health benefits as well as environmental benefits in saving food 'air miles'. The Food for Life Partnership works alongside the Leicestershire Healthy schools programme, using good food as a way to improve the whole school experience and support child health.

**Reducing the Harm of Substance Misuse** – the rate of admissions to hospital for alcohol related causes continues to worsen. Our work on substance misuse covers the whole pathway from prevention, early intervention, treatment provision, and supporting recovery. As part of our early intervention work to prevent people developing alcohol related problems the alcohol brief intervention service has been extended to include pharmacies in addition to GP practices. We have also commissioned new inpatient drug and alcohol detoxification services from April 2015 with the service now provided in a dedicated unit. Supporting individuals to successfully complete treatment is important but there is also a need to ensure people sustain their recovery. We have established 4 recovery groups locally which now meet regularly across Leicestershire. September 2014 saw the first Recovery Week activity programme taking place in Leicestershire and the hosting in Leicester of the national Recovery Conference. Future plans include the re-procurement of substance misuse treatment services jointly with Leicester City Council from July 2016.

**Smoking Cessation** – smoking remains England's number one killer and is the leading behavioural cause of premature death and health inequalities in Leicestershire, contributing towards the development of many diseases and as such remains a local priority. The local tobacco control alliance, Tobacco-

free Leicestershire and Rutland (TLR), continues to coordinate a comprehensive tobacco control program with an emphasis on prevention, cessation, smoke free environments and enforcement. In April a new stop smoking service commissioned by the Council for Leicestershire and Rutland was launched. Quit 51 aims to encourage the counties' 96,000 smokers to quit in order to improve their health. The free service is easily accessible through the internet and public venues such as pharmacies, GP surgeries, dentists and hospitals and people are also able to refer themselves to Quit 51. Our Trading Standards Service works to reduce the illegal sale of tobacco products and is currently hosting a regional post to coordinate alcohol and tobacco enforcement. 2015 saw a renewed focus on illegal tobacco sales and reducing the availability of tobacco products to young people. Smoking prevalence improved last year, reducing to 18%.

**Improved Sexual Health** – the integrated sexual health service entered its second year in January 2015. There have been increased numbers accessing the service since its commencement, with over 12,600 users during the first 6 months of 2015. A range of sexual health services are also continuing to be provided through local GPs and pharmacies such as reversible and emergency hormone contraception and chlamydia screening. However sexual health commissioning is currently the responsibility of different commissioners, so work is underway to develop a new combined Leicester, Leicestershire and Rutland vision for sexual health. A new local sexual health needs assessment is also being produced to identify local priorities and recommendations for action later in the year.

### **Better Mental Health**

The considerable burden of mental illness means that strengthening individual resilience and helping people with mental illness to recover and live rewarding and fulfilling lives remain key priorities for us. We are a key partner in the Better Care Together Mental Health Workstream. The supporting programme incorporates a range of interventions aimed at helping people avoid becoming mentally ill and at mitigating the impact of mental illness in those who experience mental health problems. The focus is on building wellbeing and resilience through 'Five Ways to Wellbeing', reducing mental illness stigma and in building and strengthening community based recovery networks. In March the Government announced additional funding for mental health services and work is underway to ensure this is effectively utilised locally.

**Prevention** - following a review of preventive mental health services, our Adults and Communities Department have developed a new model offering social drop-in, peer support and inreach services to address inequity of provision with reference to BME and rural communities and other hard to reach groups. The service began operating in October 2014 and has removed upper age limits as well as increased drop-in use by BME service users by 11% in the first 6 months of operation.

**Support for Children's Mental Health** - one in ten children aged 5 to 16 years has a mental health problem and many continue into adulthood. Half of those with lifetime mental health problems first experience symptoms by the age of 14. We are working closely with partners to implement the 'Future in Mind' programme, a national strategy to transform services and to promote the mental health and wellbeing of children and young people. In November the Health and Wellbeing Board considered work to produce a multi-agency strategy to improve the emotional and mental health of children and young people and this area continues to be a priority for delivery. Leicestershire is experiencing similar problems and pressures as to many other places in the country with access to child and adolescent mental health services in terms of waiting times for assessment and for specialist beds. As part of Better Care Together a working group has been established to focus on improvement to CAHMS services. The Council has invested £1m this year into a series of measures to support better mental health including healthy school advisers to support pupils, mental health awareness training for frontline staff and community reading groups which aim to combat social isolation. The Leicestershire Healthy Schools Programme delivered a range of courses to help schools to respond effectively to mental health problems amongst staff and students. With 98% of Leicestershire schools now signed up pupils are being educated in an environment committed to developing their emotional wellbeing and enabling them to be resilient and mentally healthy for life.

**Effective Support for People with Mental Health Needs** - details of the new mental health services funding from the Government was published in August 2015. The financial allocations for the local CCGs amount to circa £1.26m including £344k for eating disorders. Locally authorisation has been given to the commissioning of a specialist community eating disorder service from Leicestershire Partnership Trust. Use of the remaining funding for 2015/16 and future years will be subject to approval of a new Transformation Plan. The intention is that the funding will be used to transform and strengthen the range of community based support and interventions offered to children, young people and their carers. There will be four main components of the plan including health promotion, early help, access to specialist help and Intensive/crisis support. A key opportunity to enhance our response to mental capacity issues has arisen and we have gained access to additional investment of c £470k across the subregion and Lincolnshire Mental Capacity Act to support pressures arising from an increase in deprivation of liberty referrals and Mental Capacity Act compliance. An improvement programme was launched in spring 2015.

We are also working with district councils, the City Council and Leicestershire Partnership Trust's Bradgate Unit to support patients to settle back into a safe home after treatment. By providing housing advice and support at an early stage and working closely with mental health staff and patients the scheme is reducing delayed discharges. The scheme places a housing specialist within the Bradgate Unit to identify and help to overcome housing issues, so patients can return home as soon as possible after treatment and provides ongoing support once they are home. As well as the benefits to patients themselves, the scheme is on track to save £395,000 per year through reducing the cost of

housing-related delays at the Bradgate Unit. The scheme will be extended to patients at the Royal Infirmary in the coming months. In 2014/15 changes in working practice in an Adult Social Care commissioned mental health recovery hostel were implemented to introduce maximum length of stay targets, flexible, reactive night time support and short term (2-3 week) follow up support as individuals move to independent living.

### **Better Physical Health, Sport and Physical Activity**

The role of physical activity in improving the nation's health and well-being is becoming increasingly acknowledged and contributes to reducing the major causes of premature death and illness as well as to the prevention and management of up to 20 chronic diseases. Our vision is that Leicestershire is the most sporting and physically active place in England by 2025. Blaby is now the 4<sup>th</sup> most active area in the East Midlands and 18<sup>th</sup> most active district in England, whilst Leicestershire has produced winners of the BBC Sports Personality of the Year Unsung Hero Award twice in the last three years.

Leicestershire has a well-developed strategic approach to sport and physical activity. Public Health and Leicester-Shire Rutland Sport (LRS) work closely to ensure collaborative commissioning of physical activity with partners such as district councils. This ensures the funding of a wide range of physical activity programmes. We are now focusing our commissioning on addressing areas of inactivity and low level activity prevalent in our population, in addition to targeting specific high-risk populations such as younger and older people. We have commissioned several new physical activity programmes to fill gaps in provision, particularly targeting emerging high-risk or neglected groups. We also continue the long-term programme to expand and strengthen the community based Exercise Referral programme. In 2015, we have worked to extend exercise referral to link it with Tier 3 clinical rehabilitation and support services across a range of medical conditions including mental health.

**Active Adults** - over 5,000 individuals participated in sport and physical activity taster sessions as part of our campaign weeks, supporting active families and active ageing across the area. 200 inactive adults were also referred onto the 'Get Healthy, Get into Sport' project, receiving tailored support and access to free sports. Over 750 new runners took part in sessions as part of the Beginners Running Programme and 2,068,457 attendances at sport and physical activity sessions were included in local delivery plans. The Workplace Challenge project continues to encourage physical activity with 39,500 activities logged during the eight week activity log challenge. The achievements of our oldest athletes and active participants were also recognised at our Oldest Athlete Celebration Event.

**Places to Play** - over £3.8m of developer contributions were secured for investment in new sports facilities in two local parishes. Over £750k was raised from Sport England funding to support local sports facilities and a £690k upgrade to swimming and sports facilities at Rawlins Academy now provides opportunities for a range of community fitness activities.

**Legacy and Clubs & Pathways** – 4,710 people were engaged in 32 elite athlete visits as part of the Legacy Roadshows and 40 clubs benefitted from the Leicestershire Legacy Fund. Over £2.5m was invested in sport through our Local Sport Alliances and 124 GO GOLD athletes were awarded a total of £58,900. 473 coaches and volunteers attended workshops to support the development of the local club network and coaching workforce. 74 Sports Clubs were supported to make successful funding applications, generating £509k.

## **Supporting Children and Families**

Our aim is that children and young people in Leicestershire are safe, achieve their potential and have their health, wellbeing and life chances improved. We place a particular focus on vulnerable children and families such as children in care, children with special educational needs and families with particular problems.

### **Supporting Families**

We provide high quality targeted early help and prevention for families at the earliest point possible to ensure that children and young people are safe, healthy and better prepared to achieve their potential.

**Targeted Early Help** – early help describes the type of support given to families by a range of agencies to stop problems happening and to tackle them as soon as possible. We are working to join up early help across a range of services and partners, as well as targeting support to where it is most needed. In April 2015 we combined three Services, the Youth Service, Supporting Leicestershire Families [SLF] and Family Steps, into a new expanded SLF service which offers intervention from prevention through to the cusp of care and maintains relationships with families who are involved in child protection services. The service has over 120 staff members who provide services and are based in localities. During the year the number of individuals supported by Early Help continued to rise and the number of Early Help cases needing to be ‘stepped up’ to Social Care reduced significantly. Work has also progressed to renovate three early help contact centres. The project has involved refurbishing the Hinckley, Loughborough and Coalville sites and merging them with the existing children’s centres on the sites. The centres now provide extra accommodation for the extended SLF locality teams.

**Early Help Hubs** – hubs are multi-agency meetings which take place regularly across localities to ensure families with more complex needs receive the most appropriate response from a range of agencies. There is good participation by all key partners and a pilot with health agencies has supported a more joined up approach for families with both health and social needs. 94% of the 200 cases considered by hubs each month met the target of a 28 day turn-around from point of referral to allocation.



**Supporting Leicestershire Families** – our team of workers is helping vulnerable families to tackle a range of issues including drugs, truancy, domestic violence, health issues and anti-social behaviour, reducing the need for them to deal with several different agencies. Supporting Leicestershire Families (SLF) brings together the county and district councils, the police, the NHS and other agencies. In March the scheme was praised by the Government for its success in turning people’s lives around. The SLF service has already met its national target to turn around 810 families and has now started to help a further 2,800 over the next five years as part of phase two of the programme.

**Children’s Centres** – our Children’s Centre programme seeks to improve outcomes for young children and families, with a particular focus on the most disadvantaged families, in order to reduce inequalities in child development and school readiness. This is supported by improving parenting aspirations, and parenting skills. The programme works with families with children between the ages of 0 and 5, with a particular focus on 0 – 2, where research tells us we can achieve the most impact on outcomes. We have reviewed the way we organise services with a move to central co-ordination and commissioning that has delivered specialist support in the areas of perinatal mental health, domestic abuse and antenatal parenting. In partnership with midwives and health visitors, the Children’s Centre Family Outreach Workers provide a range of one to one, group work and brief intervention to families across the 36 children’s centres. There has been a 20% increase in the number of children supported with over 5,400 receiving services during 2014/15. Survey work with around 3,000 parents suggests that 98% feel more confident in their parenting skills, while 98% state that the service has made a positive difference to their family.

### **Ensuring Children and Young People Are Safe**

We continue to work in close partnership with the local Safeguarding Children’s Board (LSCB) to implement strong interagency arrangements for the protection of children from harm and provide a range of support services for children in need.

**Safeguarding** – the County is piloting a new and innovative approach to keeping children safe and supported. We are one of just 10 authorities picked to work with child protection expert Eileen Munro on the scheme. The 18 month project is rolling out an approach called ‘signs of safety’ through a training programme across Leicestershire and Rutland. Signs of Safety ‘Pods’ are being set up in locality teams in Leicestershire bringing together colleagues from social care and early help. A new Councillor Child Protection Panel has also been established to ensure that the Council is fully discharging its duties in relation to child protection. There has also been significant work to improve outcomes around child trafficking and children going missing.

The percentage of children becoming subject to a child protection plan for a second or subsequent time increased during 2014/15. While there will always be some repeat child protection plans, this figure is now higher than the

national average. An in-depth audit was therefore undertaken of a sample of repeat plans and areas for improvement identified. All conferences now use Signs of Safety and auditors found that as a result plans were robust and child and family views were clearly evidenced and taken into account. Action taken to address the increase in the number repeat child protection plans includes strengthening the oversight of cases by service managers.

**Child Sexual Exploitation** – identification of and responding to child sexual exploitation (CSE) is a priority for the Council and our partners. Greater awareness of incidents of exploitation nationally in recent years has been reflected in an increase in referrals locally. In response we have developed a new CSE Strategy and action plan with partners to create an environment where CSE is prevented, identified and challenged, in order to keep children and young people safe. This involves perpetrators being held accountable and brought to justice. In August 2014, in conjunction with Leicestershire Police, we set up a joint CSE team and this is now being expanded to include other partners. We have contributed £500k to extend the team and added four new staff. The team consists of 8 council officers and over 20 police officers including the missing from home team. The team's work includes early intervention and prevention for those at risk of CSE, work with partners to disrupt perpetrators, supporting the police with criminal investigations and supporting children through the recovery process. The approach has increased the number and appropriateness of referrals, provided evidence that signs of CSE are being spotted earlier, and increased the number of investigations and prosecutions. We are also further developing our support and recovery services.

**Effective Child Care Placements** – we have introduced a new approach to mitigate increased pressures on child care placements. We are implementing a new Fostering and Adoption recruitment plan to achieve an increased and diverse 'bank' of foster carers, and implementing a placement commissioning strategy ('Choices'), which establishes a deliberate approach to commissioning services for children in the care. We have also worked on a cohort of 22 cases to reduce placement costs whilst providing care that is more effective for that child. We have also focused work on providers of independent fostering services that are providing placements for children and are considering the use of an external agency to assist, possibly on a payment by results basis, as well as participating in regional commissioning of placements. The proportion of children with 3 or more placements during the year and the proportion of children in the same placement for 2+ years or placed for adoption has declined slightly this year. Analysis has been undertaken to determine reasons for placement changes, using a sample of recent cases. The analysis noted that children are safeguarded well and the service responds appropriately and moves children when necessary and in most cases as per their care plan. Children's views are taken into account when considering new placements and there is clear evidence of management oversight on cases when decisions are made to move children. Work is underway to ensure that the first placement that a child has on coming into care is more successful.

**Fostering and Adoption** – in June our foster carers were recognised for the vital role they play in bringing about positive changes for young people, as part of a fortnight of awareness-raising around their role. We have also run a range of events to boost the number of foster carers, particularly those wanting to look after parent and baby placements. In February, commercials were run during ad breaks of popular shows and on local radio, in collaboration with nine East Midlands Councils as part of a combined recruitment campaign. The Fostering and Adoption Bus was also at the King Power Stadium to spread the message about fostering. The average time to place with adopters and time children wait for adoption both improved during 2014/15.

**Looked After Children** - the Leicestershire Virtual Schools team continues to offer support to teenagers in care to achieve the best outcomes and prepare them for work. 56% of children in care achieved Level 4 at Key Stage 2. In January an event was held to mark the achievements amongst the 450 children in care and over 200 care leavers, both in their personal lives and in important achievements at school, college and university. Stories include a student who hasn't taken a day off in five years and a student representing Leicestershire children in care at Westminster alongside the Children's Commissioner. The Children in Care Council continues to champion the voice of those looked after by the Council. Beacon Voices, one of only two choirs in the UK made up solely of children in care has now played at Wembley Arena, the Southbank and Sheffield City Hall. By shining a spotlight on their talents and musical skills the choir helps boost young people's confidence and provides an opportunity for them to express themselves.

**Care Leavers** - a new Charter for care leavers was launched early in 2015 setting out our seven promises to them. Like all parents, including Corporate Parents, the Council is concerned about the suitability of accommodation of young people leaving our care. The Council keeps in contact with Care Leavers, as far as is possible, until after their 21<sup>st</sup> birthdays, and up to 25 in some cases. 73.6% of care leavers were in suitable accommodation this year, a significant improvement compared to the previous year. The proportion of care leavers in education, employment or training has also improved to 45%.

### **Supporting Children to Achieve Their Potential**

**High Quality School Places** – we are making good progress to deliver our strategy for new high quality school places, with particular emphasis on extra primary school places as a first priority. Work was completed at a number of schools during the year providing an extra 361 primary school places and 30 secondary school places. Major schemes included works at St. Bartholomews Primary school, Quorn, Greenfield Primary school, Countesthorpe, Burbage CE Infant School and Townlands Primary school, Earl Shilton. In addition, £3.3m was also spent on improving the condition of school buildings, including re-roofing, window replacements, and installation of new boiler plants, re-placement of lighting and ceilings and upgrade of fire alarms. We are also making good progress with our capital plans for next year which include building a new £4m, 210-place primary school for pupils in Braunstone

and Leicester Forest East, expected to open in September 2016. During the course of the year 20 schools were given assistance to enable them to convert to academies and a further 10 supported to change to their age range to 11-16 or 11-19. Over 95% of children starting primary school secured places at one of their top choices. In addition nine-out-of-10 young people secured places at their first-choice secondary school. The proportion of pupils in good or outstanding schools rose to 83.8% this year, above the national average.

**Good Early Learning and Child Care** - the number of eligible families taking up Free Early Education Entitlement for 3 year olds has increased slightly over the last year to 90.3%. Free provision for 2 year olds has been expanded to a wider group of families last year and had take up of 66% during the year. The percentage of childminders rated as 'good' or 'outstanding' by Ofsted rose significantly during 2014/15, from 71.3% to 84.2%. This contributed to a 10.2% rise in standards of all childcare providers with 85.9% now rated as good or better. The amount of Leicestershire children achieving a 'Good' level of development at the age of 5 rose for the second consecutive year and is now 63.8%.

**High Standards in Primary** - Key Stage 1 performance continues to be strong in Leicestershire with children achieving above national standards for all benchmark measures in 2015. The Key Stage 1 average point score including reading, writing and maths increased slightly. The inequality gap between the lowest performers and the rest also narrowed during the year. Key Stage 2 results for 2015 improved in Leicestershire for all the key measures of reading, writing and mathematics. The benchmark figure for children achieving Level 4 or above in all three subjects is in the top half of all local authorities, an improved position on 2014. The achievement of pupils eligible for Free School Meals for the same measure rose by 2.5% to 60.3%.

**High Standards in Secondary** - the Leicestershire secondary school system has undergone significant changes in recent years with a number of schools moving to 11-16/18 provision as well as many conversions to academies. The Council has assisted in the conversion of 149 maintained schools into academies since 2011 with 134 maintained schools. In summer 2015 a number of schools reported record levels of 5 A\* to C passes (including English and Maths) and many others have seen a good improvement in the progress made by students, especially in Maths. Overall attainment of 5 A\* to C (including English and Maths) was around 56.1% a similar level to last year and similar to national levels. 'A' level points scores are slightly down on last year at 206.8. However schools in Leicestershire continue to perform above the national average for Ofsted inspections. Currently 86.4% of Leicestershire schools are judged to be good or outstanding, well above the national average. There has also been progress in reducing the secondary school persistent absence rate. The Council continues to support the Leicestershire Educational Excellence Partnership to target further improvements in particular schools and subject areas. The Education and Adoptions Bill 2015, expected to be passed by Parliament in the autumn will give DfE new powers to intervene in 'coasting' schools. Although coasting has not been formally

defined it is expected to cover schools whose performance is static or in gradual decline.

### **Support for Vulnerable Children**

**SEN and Disability (SEND) Reforms** – we are committed to ensuring that reform of SEND joins up help across education, health and care services and improves families' lives. We've made significant progress with a number of children now having new-style support plans and we aim to have these in place for all young people by 2018. Students with learning difficulties were also involved in designing our new care and support website, developed to enhance information about SEN and disability services across the County. The new website or 'local offer' contains information about the care and support services available in Leicestershire and offers the opportunity for families to feedback on services. A new Disabled Children's Register was launched in 2014 and went live early in 2015. All families that wish to be included on the Register are now able to.

**Vulnerable Children** – in March we unveiled plans for Wigston Special School to move into a new £10m state-of-the-art building. The proposals will see Birkett House relocate to modern premises at the Wigston Secondary Schools campus. The brand new building will offer places for 125 children and feature a hydrotherapy pool and sensory interactive rooms incorporating multi-sensory technology. It is set to open by September 2017. The Council has embarked on a programme to create 'area' special schools across Leicestershire. This will be the fifth one to be built and will greatly enhance the facilities available locally for children with specialist needs. We also continue to offer support for vulnerable pupils with an increased number of children supported through autism intensive support and increased support for those not able to attend school because of medical needs. We also met increased demand for special educational needs transport due to an increase in high needs cases. A comprehensive system has been developed to identify children who are missing education and ensure that they are provided with appropriate services in order to support their educational achievement and ensure safety. Pupils with SEN achieving Level 4 at Key Stage 2 improved slightly last year.

**Young Carers** - a Young Carers Project Officer supports young carers to access support. A Young Carer ID card scheme has also been launched, recognising their role as a young carer and enabling health staff to share information with them about those that they care for. A programme for learning and development has been put in place to raise awareness and understanding about young carers and their families.

Over 130 children, young people and families shared their experiences of accessing support at a 'voice' pop up event at Conkers in Ashby. The information collected is being used to shape the services offered in the future. In April young people's achievements were recognised at an Awards Ceremony hosted by Leicestershire's Lord Lieutenant. The event highlights examples of the outstanding dedication, service to others and personal

achievements by Leicestershire's young people. Leicestershire has also been ranked the ninth best local authority for tackling homophobic bullying in schools, as ranked by Stonewall.

### **Improving Children's Health and Wellbeing**

**Breastfeeding and Maternity support** - breastfeeding has positive health benefits for both mother and baby in the short and longer term. Low breastfeeding rates are linked with inequalities in health, deprivation and reduced life expectancy. The breastfeeding targets for 6-8 weeks prevalence have been met over the last year improving to 46%. Breastfeeding peer support services are also available in 6 areas and Breastfeeding 'Champions' have been nominated in both Health Visiting and Children Centre teams. The 'Baby Buddy' App and the 'Meals on Heels' App have been embedded across the County. Local CCGs are also funding a Perinatal Maternal Mental Health project to develop a Community Outreach Service to support mothers to help establish an attachment and an early relationship with their baby.

**Early Years Health** - from October 2015 the Council took over commissioning of the 0-5 Healthy Child Programme through the Health Visiting Service in addition to the 5-19 Healthy Child Programme through the School Nursing Service that has been commissioned since April 2013. The Council in partnership with the local NHS also continues to provide effective early years support to improve health and reduce health inequalities. Interventions include a re-launch of the social marketing campaign to encourage women to book with maternity services before 12 weeks gestation. Action to reduce infant mortality rates includes the development of a Leicester, Leicestershire and Rutland Infant Mortality Strategy to help raise awareness of the risk factors for infant mortality. School readiness is one of the priority areas for Leicestershire. Health visitors, GPs and other health professionals are working with the Council's 0-5 Learning Service to promote the take up of free education and childcare for all 3 and 4 year olds and to implement the Integrated 2 Year Review.

**Healthy Schools** - the Leicestershire Healthy Schools Programme provides the framework to support schools to be 'Health Promoting' settings. At least 98% of schools and Academies in Leicestershire are participating in the Programme and 76% have renewed their Healthy School Status over the last 3 years. 36% have achieved Enhanced Healthy School Status by achieving meaningful outcomes on a Public Health priority.

**Childhood Smoking** - the tobacco free schools programme, The SmokeScreen, continues to change attitudes and opinions of young people to reduce smoking initiation. The programme takes a whole school, social norming approach to reinforce the realities of smoking and debunk the myths. Schools work with Cut Films, to empower young people to use their voice through short films to tell others about aspects of smoking. In 2015 5 schools' films were selected to be viewed at the annual national awards at BAFTA in London and the 2015 People's Choice winner was a Leicestershire Primary school.

**Nutrition and Healthy Weight Children** – the Family Lifestyle Club (FLIC), our children and families weight management programme was doubled in scale and offered in every area for the first time in 2015. We have undertaken work since 2014-15 to develop the referral routes into FLIC, and commissioned supporting pre-FLIC school based programmes such as “Food Routes” and “Big Cook Little Cook” and work targeting healthy eating in early years settings as well as improving referral resulting from the National Childhood Measurement Programme. Our School Food Support service has been awarded the Soil Association’s prestigious Food for Life Silver Catering Mark award; testament to its commitment to providing healthy and nutritious meals. Six Leicestershire schools have also picked up their bronze and silver Food for Life Partnership awards. More than 90 schools have engaged and are delivering the curriculum through growing, cooking and links with local working farms. From early 2015 the Food for Life Partnership will extend to early years settings to establish good eating habits at an early age.

**Active Young People** – we have been keen to establish new programmes targeting early years and primary school children, following increasing evidence of inactivity, poor physical development and obesity in these populations. The Early Years ‘Purposeful Physical Play’ programme is now in its second year of training early years settings and in 2015 is developing new resources for use by early years providers. We have also completed a one year pilot ‘Fundamental Movement Skills’ pilot programme in seven local primary schools, in order to test and develop innovative approaches to delivering a sustainable community wide school programme across Leicestershire. During 2014/15 22,465 young people participated in the Leicester-Shire & Rutland School Games. Over £153k was also invested to deliver 174 Sportivate projects attracting over £100k of partner funding and resulting in 3,908 young people participating in sport and physical activity. £60k was invested into the delivery of 58 Satellite Club projects across the area and over 50 early years settings and 70 individuals benefited from Early Years Purposeful Physical Play.

**Child Oral Health** - Leicestershire has higher numbers of children with tooth decay than the England average, though in many cases with less severe levels of decay. From April 2015 responsibility for commissioning oral health surveys and oral health promotion services transferred to the Council. A range of activity has been put in place including in May all babies were given a free dental health kit as part of their four month health visitor contact and offered advice on good tooth care habits as part of a wider programme of oral health promotion. Free toothbrush kits were also given out at Wriggly Reader sessions focused on healthy teeth. The packs include a baby toothbrush, toothpaste, leaflet and parents are being offered advice on establishing good dental care. A range of ‘Healthy Teeth Happy Smiles’ materials have also been developed to be used in oral health promotion activities and during National Smile Month a number of events and promotions were held around the county.

**Help to Children with Long Term Conditions** - the School Nursing Service supports children, their parents/carers and schools to manage health needs of children that are less complex long term conditions and disabilities. School nursing input in Special Schools is also jointly funded by Public Health and the Special Schools themselves. Health Visitors play a role regarding reducing hospital attendance and admissions and are involved in the early identification, assessment and help for children with additional needs.

**Teenage Pregnancies** – our Teenage Pregnancy Partnership launched a new Relationship and Sex Education toolkit last year and new figures show that Leicestershire’s teenage pregnancies dropped for the seventh consecutive year and are now 20.9 conceptions per 1,000 15-17 females. This is significantly lower than the East Midlands and England rates. Rates have been cut by 45% since 1998.

### **Safer Communities – A Better Environment/Place**

We place high priority on keeping Leicestershire communities as some of the safest in the country by minimising crime and antisocial behaviour, reducing youth offending, supporting victims of crime, ensuring the safety of our roads and providing consumer protection services.

**Crime Minimisation** – many factors affect crime and disorder, so all our services, working alongside communities themselves, have an important role to play in keeping individuals and communities safe. We consider crime and disorder across the breadth of our services and work closely with the Police and Crime Commissioner and other partners as part of Community Safety Partnerships to ensure that effective action is taken to prevent and minimise crime and to provide support to the victims of crime. The Police and Crime Panel that holds the Police and Crime Commissioner to account has raised a number of issues during the year including regarding crime levels, the Police change programme and the Commissioner’s financial strategy and commissioning plans. During the last year total crime rates, domestic burglary and violence with injury have all improved, though vehicle crime has worsened and remains an issue for improvement.

**Youth Justice** – we continue to implement our Youth Justice Plan to reduce youth offending and reoffending and to minimise custodial sentences for young people. In 2014/15 the number of First Time Entrants to the Youth Justice System was 12.7% lower (27 fewer young people) than the previous year and at the lowest levels recorded. Comparative data also shows that the percentage of young people reoffending in Leicestershire is better than regional and national performance. The use of custody is 4.2%, ahead of the 5% target set by the Youth Justice Board. 73.3% of young people known to the Service were in employment, education or training, slightly higher than then 2013/14 performance but below the 80% target. In May our Youth Offending Service was given recognition for its work to encourage young people to make amends for their offending when its restorative work was awarded the Restorative Service Quality Mark for achieving six professional standards.



**Anti-Social Behaviour** – we are part of the Leicestershire Anti-Social Behaviour Delivery Group. The group ran a number of campaigns throughout the year on the theme of Respect/Tolerate and in May we encouraged residents to be respectful to neighbours as part of a national effort to tackle noisy neighbours through Noise Action Week. Sports and craft activities have also been organised by our IMPACT team, which works on the streets with young people in a bid to reduce anti-social behaviour. These activities encourage creativity and fitness, but also play an underlying role in reducing anti-social behaviour by helping young people channel their energy in a positive way. Those stating they have been a victim of ASB, satisfaction with ASB being dealt with and criminal damage rates all improved last year.

**Domestic Abuse** – during 2014/15 there has been an extensive roll out of domestic abuse stalking and harassment indicators across partner agencies and the development of multi-agency guidance to recognise risks. Work has also been undertaken to develop a single specialist domestic abuse and sexual violence service across the sub-region. Our partnership ‘How Many Times’ campaign across the County incorporated messages developed by people affected by domestic abuse or sexual violence to encourage others to take action and seek support. Specialist domestic abuse support services, many funded by the council, supported over 1,000 people and their families last year to improve safety and support and their recovery from the significant impact of domestic abuse. Front-line workers from across public and third sector agencies were also trained in using a common risk assessment approach for domestic abuse to ensure joined up effective responses to people impacted by abuse. Overall there has been an 18% reduction in the number of single assessments within which the child’s parents are the subject of domestic abuse.

**Community Cohesion and Hate Incidents** – we continue work to strengthen community cohesion, supporting communication across community groups such as through the Interfaith Forum and significant events for cohesion. Hate incidents and crimes can be damaging to individuals and their families and it is important all people are treated with dignity and respect and live without fear of hatred. In March we supported the “say no to hate” campaign to encourage people to report incidents and respect difference. The awareness raising initiative urges people who experience physical, written or verbal abuse to make a stand. Our Hate Incident Monitoring Project also continues to raise awareness of how Hate Incidents can be reported and addressed. Last year saw a slight increase in reports.

**Road Safety** - despite a variety of road safety work (see transport section) the numbers of road casualties and those killed or seriously injured were higher during 2014 after a number of years of reductions. However early indications for 2015 suggest that further reductions are now being made this year.

**Safer Consumer Goods and Trading** - during the year our Trading Standards Service brought 11 cases before the Courts, involving 17 defendants and all resulted in successful convictions. Fines and costs

awarded totalled more than £32,000. In 21 other cases we obtained formal agreements with businesses to improve their trading practices. 5 cases led to improvements in product safety, 16 supported public health and 10 supported economic growth. In January the service saw two suppliers of counterfeit goods sentenced following a successful operation to seize counterfeit goods worth £25,000. In October our presence at East Midlands Airport was increased to check the safety of imported goods. Of 47 consignments targeted for inspection 19 were found to contain unsafe goods that posed a risk to consumers. A total of 4522 items were seized to be destroyed. Fake tobacco is detrimental to local retailers and poses additional health issues as they are not manufactured in a regulated way. In June 75,000 illegal cigarettes were seized. Trading Standards officers have also continued to carry out operations to test for the sale of tobacco to under age teenagers. In November a month-long campaign focused on warning people about the dangers of loan sharks and the effects these have on communities.

### **A Better Environment**

Protecting the environment and rural character of the county is an important issue and we are implementing a range of plans to do this including our Environment Strategy, Carbon Reduction Strategy, Climate Ready Plan and Waste Management Strategy.

**Reducing Our Environmental Impact** – our commitment to a better environment is demonstrated by our work to reduce our environmental impact. The Council continues to manage its environmental impact across a wide range of issues, including reducing energy consumption, business mileage, paper use and office waste. A total of £1.54m was invested in our Property Energy Strategy to reduce energy consumption across our property estate, to reduce carbon emissions and deliver savings in line with our Environmental Strategy. The investment includes LED lighting, new heating controls, as well as renewable energy projects, solar panels across five sites, and a new biomass boiler at County Hall, which will be brought into operation in summer 2015. The new state of the art biomass boiler replaces an old gas boiler and will burn wood chips sourced locally from tree thinning's. The boiler produces very few emissions and is better for the environment, being carbon neutral. The installation of a biomass boiler and solar panels at County Hall and other sites will collectively reduce the Council's carbon emissions by an expected 520 tonnes and result in an annual financial saving of over £123k. New software has also been installed on our IT operating system to measure computer idle time and drive reduction in the energy wasted from inactive computers. The Council has been rated in the top 10% of recyclers in an independent survey. The Council's Property Services and Climate Action Team have also been certified of the international environmental management standard ISO14001.

**Reducing Carbon Emissions** - three quarters of our street lights have now been dimmed, switched off in the early hours or turned off entirely. The project has reduced Leicestershire's carbon footprint and helped to save the Council more than £818k. We also supported 14 communities to improve the energy

efficiency of community buildings through the Community Climate Change Grant. In all £22,000 was provided for projects that will reduce carbon emissions by 19 tonnes a year and reduce the energy costs for those building by £5,000 per year. Carbon emissions from Council operations, buildings, street lighting and signs and business mileage all improved last year.

**Flooding and Emergency Management** - supporting flood resilience in the community has continued with improved public information on the new LLR Prepared website, in addition to ongoing recruitment, training and support for flood wardens. A partnership approach to community resilience has resulted in the launch of the 'Aware and Prepared' programme. As it develops the programme will see greater engagement with residents, communities and businesses, encouraging them to plan for how they can help themselves and others in emergencies. A key element of the work is the recruitment of 'Prepared Citizens', volunteers from across the LLR area who will come together to help their communities in times of emergency. Further work continues with supporting community groups and parish councils to develop specific local plans, especially in areas of known risk. Within the Council there is now a process in place provide assurance that critical suppliers have robust business continuity plans in place to be able to maintain their service, even in times of disruption. The Council's partnership with Leicester, Leicestershire and Rutland councils continues to deliver a high quality service with benefits including 24/7 dedicated Resilience Officer emergency response and the coordinated development and delivery of plans, training and exercises.

**Sustainable Waste Management** – our programme to improve our Recycling and Household Waste Sites and Waste Transfer Stations has continued. This work builds upon previous successes and underpins our commitment to providing a high quality service. More than 750 residents, charities and businesses responded to a consultation on how we can save £1.1m from the future cost of running the sites. We also met additional waste disposal costs as waste tonnages began to increase due to the improving economy. Leicestershire residents' ongoing reuse and recycling, along with increased use of waste treatment technologies, meant that the proportion of household waste that was sent to landfill sites continued to fall last year.

**Waste Prevention, Reuse and Recycling** – we continue to support opportunities for communities to reduce their environmental impact. We delivered over 55 classes for residents focussing on waste prevention and reuse. The partnership New Year Reuse Resolution campaign in January included events such as the 'swap and fix' day, where residents donated unwanted items and others could pick them up for free. The campaign was organised by the Leicestershire Waste Partnership, made up of the County Council and local District Councils.

**Composting** - in May a new composting demonstration site, supported by the Council in partnership with Leicester University, was opened at Leicester Botanic Garden in Oadby. The site shows easy ways to get the most from garden and food waste and aims to inspire residents to compost their waste. We also continue to offer cut price compost bins to support residents in efforts

to cut waste through greater composting. Work is also underway to understand recent changes in recycling and composting patterns in the County and to consider possible actions in response.

**Minerals and Waste Planning** - a new draft Minerals and Waste Local Plan setting out how the council will deal with minerals and waste planning applications over the next 16 years was approved during the year and is being consulted on, to ensure that residents and businesses have their say. The plan will act as a blueprint for future minerals and waste planning.

### **Natural and Historic Environment**

**Environment Grants** – the Stepping Stones project supports community action on landscape and natural environment improvements through a variety of help to parish councils and community organisations. In 2015 Stepping Stones helped 13 applicants plant 1.9km of new hedgerow alongside 475 new trees as part of our Woodland Trust partnership ‘Trees Make Hedges’ scheme. There were also 17 successful applications to our ‘Plugs for Bugs’ scheme from parish councils, community groups and farmers wanting to plant wildflower seeds, bulbs and plugs. The Project also awarded 11 applicants financial support through the suite of green infrastructure grants for works to improve green spaces and the farmed landscape.

**Countryside Walks** - more than 60 organised walks took place across Leicestershire as part of National Walking Month, to promote the health benefits of walking as well as the fantastic countryside, parks and urban areas of the County. The Council also continues to provide information on the 1,896 miles of rights of way in Leicestershire and the 75 mile National Forest Way.

**Country Parks** – our Countryside Services Team secured funding from the National Forest Company to further develop Beacon Hill County Park as a visitor hub during the year. The funding enabled new signage to be created providing information about native trees and woodland management around the trail, including 28 signs about different species of trees. The National Forest Wood Fair offered a range of opportunities for visitors to learn wood crafts, view chainsaw sculpting and try local food and drink. Additional repair and improvement works were also carried out to our county farms to ensure the estate meets the required standards.

**Ashby Canal** – the Council, supported by the Ashby Canal Association, is leading the scheme to restore an eight mile stretch of the waterway. The restoration of the Ashby Canal is a long-term project and during 2015 construction commenced on a further 500m of canal and on Bridge 62. Around 20 volunteers from the Waterway Recovery Trust, along with local residents, joined forces with the Council in August to rebuild the bridge at Snarestone as part of the project. Alongside the construction project continued maintenance and monitoring of the nature reserve adjacent to the Ashby Canal Site of Special Scientific Interest at Snarestone, and the maintenance of the isolated restored canal section at Moira also took place. In

2016 the construction project will be completed and further management and maintenance activities undertaken.

### **Cultural Environment and Better Place**

**Better Place** – we are supporting the £9.5m project to develop a new Railway Museum at the Leicester North terminus of the Great Central Railway. The Museum will hold collections of locomotives from the National Rail Collection in York. It is estimated that when completed the Railway and Museum will be worth some £39m to the local economy as well as providing education and training facilities. Work is also underway to connect the Great Central Line to the main rail network.

**Richard III and Bosworth** – the Council and its officers played key roles in co-ordinating events leading up to and during the re-interment week, including relating to highways, museums, heritage, civic affairs and communications. In March 35,000 people lined the streets of Leicester and Leicestershire to mark the final journey of King Richard III. In addition more than 100 special events and activities ran as part of the re-interment programme. 2,500 people attended the service to honour the memory of King Richard. Visitors from around the globe also flocked to our Bosworth Battlefield Heritage Centre during a week-long programme of events to coincide with the re-interment. Compared to the same period in 2014 there was a significant increase in the number of paying visitors travelling to the heritage site. In February Bosworth was awarded the Visit England ‘Best Story Told’ accolade, which recognises outstanding venues going the extra mile to create memorable visitor experiences.

**Symington Building and Hallaton Treasure** - the first year of the new library, museum and adult learning facility based in The Symington Building in Market Harborough has been a success, with around 200,000 visits. The building includes the Hallaton Treasure and a space for national touring exhibitions. Two new exhibitions celebrating Leicestershire’s history also opened at Harborough Museum, focusing on 19 century prints and drawings and the town’s tradition of Baking and Sewing. Two pieces of rare Anglo Saxon jewellery went on display at **Melton Museum** in August. The pendants from 500AD were found separately in Scaford and Hoby.

**Green Plaques** – since its start in summer 2014 our Green Plaque scheme has been continuing with great success commemorating key people and places of Leicestershire. People celebrated have been Charles Booth social reformer, Thringstone, Flight Lt Geoffrey Rice, Dambusters hero, Burbage, Alice Young, Missionary, Enderby, Graham Chapman of Monty Python fame, Melton, war hero Brigadier-General James Jack, Kibworth Harcourt, and William Henry Buckingham VC WW1 hero, Countesthorpe. In February a plaque for the John Taylor Bell-foundry was also unveiled in Loughborough, the birthplace of the largest bell ever cast in the UK. In July a green plaque was unveiled in Angel Yard, Loughborough at the original home of Ladybird Books. A second collection of plaques has also now been chosen and will be

installed, to continue to celebrate the people and places of Leicestershire's rich history.

**VE Day Commemorations** - events were held to mark the 70th anniversary of VE day, commemorating the end of the Second World War and the lives lost during the conflict. Veterans were invited to celebrate the anniversary at the Council's Armed Forces memorial, as well as a beacon-lighting at Beacon Hill.

**Libraries** – positive progress has been made to enable local communities to manage local libraries with a support package from the Council. In July the first community managed library opened in Barrow and this has been followed by Markfield and Glenhills in September. Work is progressing with another 32 communities to follow. Improvement works were completed at Hinckley Library in August 2014, involving the creation of two new meeting/class rooms for local groups and Leicestershire's Adult Learning Service. In January the library service showcased its digital offer with guidance and advice to library users on how to get the most out of e-books, e-audiobooks and e-magazines on smartphones and tablets. Loans of electronic books and other e-resources have increased by 50% since last year. The annual Summer Reading Challenge continued to encourage young people to read for pleasure during the summer months. This year over 9,000 young people took part in the 'Record Breakers' challenge. Overall library visits and book issues continue to decline, in line with trends nationally.

**Registration Service** – Leicestershire's newest Register Office, The Cedar Room at Anstey Frith House, Glenfield, was officially opened by the Lord Lieutenant of Leicestershire in May 2015, boasting a welcoming reception area and two beautiful ceremony rooms and holding up to 80 people.

# Leicestershire County Council Annual Performance Report 2015

## Part B - Performance Data Dashboards



<b>Theme Dashboard</b>	<b>Page</b>
Leadership & Transformation	1
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Safer Communities - Better Environment/Place	16



## Introduction

In order to measure our progress against our priority outcomes, we are tracking a number of key performance measures for each of the outcomes. These are summarised in a set of theme dashboards with ratings that show how our performance compares with other areas where known, whether we have seen any improvement in performance since the previous year and whether we have achieved our targets.

As well as this annual report we also publish theme dashboards on our website on a quarterly basis so that our overall performance progress is transparent.

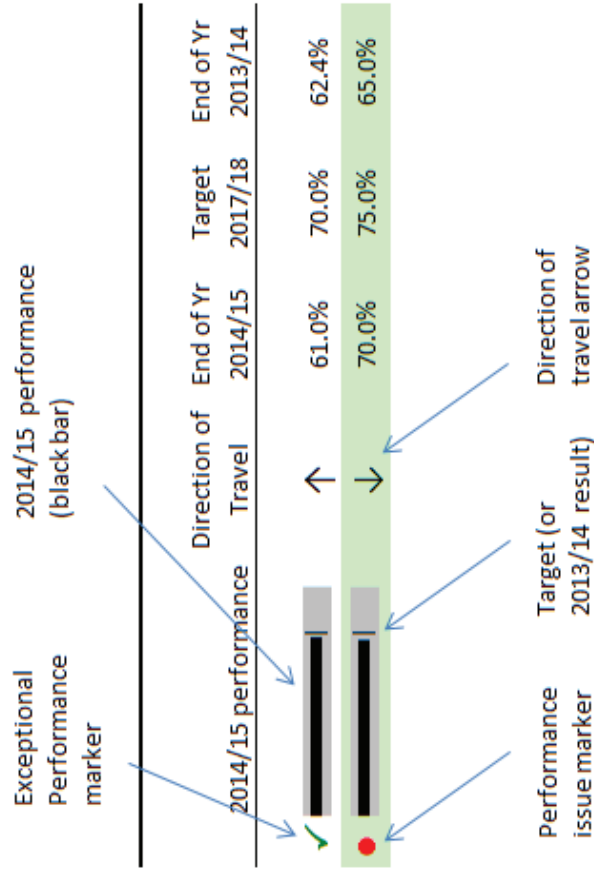
Overall the report shows continued good progress by the County Council and partners in delivering on local outcome priorities.

Comparative analysis shows that Leicestershire continues to be one of the top performing areas in the Country with a number of top performing services. More information on service performance and progress is set out in the individual theme sections of the report.

## Explanation of Performance Indicator Dashboards

The performance dashboards set out year end results for a number of the performance indicators (PIs) that are used to help us monitor whether we are achieving our priority outcomes. These outcomes have been identified within our Strategic Plan. Many indicators relate to more than one theme, but in this report, each indicator has been assigned to just one theme. Where relevant, the performance sections show 2014/15 year end outturn against performance targets or indicators (where applicable), together with comparative performance information where available and commentary. Where it is available, the dashboards indicate which quartile Leicestershire's performance falls into. The 1st quartile is defined as performance that falls within the top 25% of relevant comparators. The 4th quartile is defined as performance that falls within the bottom 25% of relevant comparators. Each dashboard uses different comparator groups and these are explained at the bottom of each dashboard. The polarity column indicates whether a high or low figure represents good performance.

The report uses performance dashboards for each theme to display performance data so that important information and risks can be identified more readily. A dashboard is a visual display of the most important information so that it can be monitored at a glance. The report uses 'bullet charts' to display performance against targets as shown below.



- The vertical black line shows our long term target (or the 2013/14 result where no target has been set).
- The black bar shows our end of year figure for 2014/15. Where the black bar extends beyond the vertical line, the target has been met.
- A red circle indicates a performance issue.
- A green tick indicates exceptional performance.
- The direction of travel arrows indicate an improvement or deterioration in performance compared to the previous result.

<b>Leadership &amp; Transformation</b>		2014/15 performance		Direction of Travel	End of Yr 2014/15	Target 2017/18	End of Yr 2013/14	Commentary	Quartile position	Polarity
<b><u>Customer Services &amp; Digital Delivery</u></b>										
% think Leicestershire County Council doing a good job										
	✓		↑	55.3%	80%	52.1%	Results show an improving trend over the past 4 years.		High	
% satisfied with the overall service from the Customer Service Centre (Gmetrix ratings)										
	✓		↑	81%	80%	77%	Results from new tool to better measure customer satisfaction - findings are being used to further improve the service.		High	
County Council website star rating (SOCITM)										
			↑	3	3+	2	A major project is underway to redevelop the website and widen the range of online services. Improved to 3 stars in the 2015 Better Connected SOCITM report.		2nd	High
Number of unique visits to the LCC website										
			→	1.35m		1.35m	Work is underway to exploit web analytics to better target services and the digital offer.			High
Number of complaints reported										
			↑	293		271	The aim is to maximise the reporting of complaints in order to learn from customer issues and improve services. Evidence suggests reduced complaints in areas targeted for improvement.			High
<b><u>Finance &amp; Value For Money</u></b>										
% agree County Council provides value for money										
	✓		↑	77.00%		61.20%	Results have improved significantly over the past 4 years and are better than the England average of 51%. May reflect increased focus on efficiency savings.		1st/2nd	High
Net expenditure per head of population										
	✓		↑	£530		£538	Leicestershire remains an efficient, low spending authority compared to others. Leicestershire is among the most efficient counties for spending on education, highways, children's and adult's social care.		1st	Low








<b>Leadership &amp; Transformation</b>		2014/15 performance		Direction of Travel	End of Yr 2014/15	Target 2017/18	End of Yr 2013/14	Commentary	Quartile position	Polarity
Description										
Education - expenditure per head of population		£348	MTFS	£383			Due to accounting changes since 2013/14, children's centres spend now falls under children's social care rather than Education. 2013/14 figures have been amended retrospectively to reflect this change, but show an overall reduction in expenditure.	Low		
Adult's Services - expenditure per head of population		£220	MTFS	£220				Low		
Children's Social Care - expenditure per head of population		£74	MTFS	£73			Due to accounting changes since 2013/14, children's centres spend now falls under children's social care rather than Education. 2013/14 figures have been amended retrospectively to reflect this change.	Low		
Highways & Transport - expenditure per head of population		£53	MTFS	£53				Low		
Environment & Regulatory - expenditure per head of population		£51	MTFS	£46				Low		
Culture - expenditure per head of population		£17	MTFS	£19				Low		
Efficiencies and other savings achieved		£21.25m	£68.4m	£22.2m			Efficiencies and savings, including service reductions, exceeded their combined target of £18.29m for 2014/15.			
<b>Procurement &amp; Commissioning</b>										
County Council procurement spend with SMEs		50%	45%	52%			The Council is a member of the LLEP Procurement Taskforce, which aims to make successful procurement achievable for SME businesses based within the LLEP area.	High		
County Council procurement savings		£3.33m	MTFS	£7.41m			Figure excludes savings projects which may have a procurement element but which are not exclusively the results of procurement activity. Procurements savings met the 2014/15 target.	High		

Leadership & Transformation		2014/15 performance		Direction of Travel	End of Yr 2014/15	Target 2017/18	End of Yr 2013/14	Commentary	Quartile position	Polarity
<b>Equalities and People Strategy</b>										
% staff satisfaction with County Council as an employer		91%	85%	↑	76%	The result from the 2015 Staff Survey shows a significant improvement on the 2012 result.				
Working days lost to sickness		9.83	7.5	↓	9.47	Performance has slipped below the Eng. Ave. of 8.5 days. A new Attendance Management Action Plan has been agreed and a workplace health and wellbeing strategy is being developed including 60 workplace health champions.				
Equality framework for local government		Excellent	Excellent	→	Excellent	The authority continues to be recognised for its good equality and human rights practices. Work continues to further improve.				
% of whole workforce from a BME background		8.92%	10%	↑	8.84%	Targets are designed to achieve the same level of representation of those from BME backgrounds as within the local population, based upon the 2011 census.				
% of whole workforce that is Disabled		4.29%	5%	↓	4.57%	Targets are designed to achieve the same level of representation of those with disabilities as within the local population, based upon the 2011 census.				
% of employees graded 13 and above that are women		54.30%	55%	↑	53.62%	Work continues to support female staff development through the spring forward positive action programme.				
% of the workforce that feels that LCC is committed to equality & diversity		91.9%	90%	↑	91%	The result from the 2015 Staff Survey shows a continued high level of performance.				
Stonewall Workplace Equality Index Ranking		17	11	↓	11	The Council remains in the top 20 for the 3rd year running and is the best county result. The Council's Lesbian, Gay, Bisexual and Transgender (LGBT) Workers Group also achieved 'Highly Commended' in the Network Group of the Year award category.				
<b>Notes:</b> Comparators are other county councils. * Comparators are all entrants in the Stonewall Workplace Equality Index										

Enabling Economic Growth		2014/15 performance		Direction of Travel		End of Yr		End of Yr		Commentary		Quartile position		Polarity			
Description		2014/15 performance		Direction of Travel		End of Yr		End of Yr		Commentary		Quartile position		Polarity			
						2014/15		2020									
<b>Infrastructure for Growth</b>																	
Productivity and competitiveness (total Gross Value Added to local economy) (Leics, Leicestershire & Rutland)				↑		£20.7bn		£23bn		£20.2bn		Continued growth in local economy at above regional average growth rates. Data shown is for 2013 and 2012.		High			
Productivity and competitiveness (Gross Value Added to local economy per head) (Leics & Rutland)				↑		£19,845		£23,500		£19,610		Continued growth in local economy at above regional average growth rates. Data shown is for 2013 and 2012.		High			
% of population with access to high speed broadband				↑		87%		94.8%		73%		This is a 14% increase on the previous year. There are now 35,165 additional premises with access to high speed broadband. The Council and partners is continuing to explore a range of solutions to deliver 100% coverage.		High			
<b>Business Growth &amp; Support</b>																	
Number of new enterprises per 10,000 population				↑		75.6		63.4		Increased by 12.2 new enterprises per 10,000 population. The Council has encouraged business growth and survival by investing in enterprises through allocating Regional Growth Funds to 59 businesses, provision of business loans and setting up a business gateway that provides advice and guidance. Data shown is for 2013 and 2012.		3rd		High			
3 year business survival rates				↓		57.6%		57.1%		61.0%		A range of business growth and business support initiatives continue to support business survival. (Data shown is for 2013 and 2012). LLEP Business Gateway launched in November 2014.		4th		High	
Number of jobs supported by tourism activity (Leicester & Leics)				↑		20,716		21,564		20,485		Sustained growth across a three year period. The Council supports tourism in the local area through its contract with Leicestershire Promotions and Better Place work. (Data shown is for 2014 and 2013 calendar years).		High			
Economic impact value of tourism (Leicester & Leics)				↑		£1.571bn		£1.533bn		£1.481bn		The value of tourism increased by 6.1% on the previous year. This compares well against the regional value of 3.1%. The preparations for the reinterment of Richard III and the success of the 'Stay, play, explore' initiative contributed to this significantly. (Data shown is for 2014 and 2013).		High			

Enabling Economic Growth		2014/15 performance		Direction of Travel		End of Yr 2014/15	Target 2020	End of Yr 2013/14	Commentary	Quartile position	Polarity
<b>Employment &amp; Skills Support</b>											
% Achieving a level 2 qualification by the age of 19		↑	85.6%	88%	85.0%		A small increase in this area places Leicestershire slightly above the national average.	2nd	High		
% of working age population with at least NVOQ2 level qualifications		↑	75.8%	73.9%			Equivalent to 5 GCSEs at A* to C - considered labour market entry qualification. Leicestershire Work and Skills Forum continues to progress improvements in skills. (Data shown is for Jan-Dec 14)	2nd	High		
% of working age population with at least NVOQ4 level qualifications		↑	34.7%	35%			Latest data shows an improvement. Leicestershire Work and Skills Forum continues to progress improvements in skills. (Data show is for Jan-Dec 14)	2nd	High		
Unemployment rate (JSA claimant count)		↑	1.0%	1.1%			Rate has followed a downward trend since 2013. The County rate remains significantly lower than the regional and national positions of 1.9%. (Data shown is for March 2015).	2nd	Low		
Employment rate		↑	76.6%	75.6%			Leicestershire's employment rate has improved and now exceeds the target. (Data shown is for March 2015).	3rd	High		
16 to 18 year olds who are not in education employment or training (NEET)		↑	3.1%	<4%			The NEET rate continues to be among the lowest in the country. This is the lowest recorded NEET level for the County. (November '14 to January '15)	1st	Low		
Participation in education employment or training (EET) at age 17		↑	92.3%	97%			Gradual increase.	1st	High		
<b>Housing, Infrastructure &amp; Planning</b>											
5 Year Supply of Deliverable Sites - housing units		↑	18,677	18,452			Good supply of housing development being supported in Leicestershire.		High		
Net additional homes provided		↑	3,007	2,369			Good supply of housing development being supported in Leicestershire. Significant rise compared to previous year.		High		
Number of affordable homes delivered		↑	631	539			Good supply of housing development being supported in Leicestershire. Significant rise compared to previous year.		High		

## Enabling Economic Growth

Description	2014/15 performance	Direction of Travel	End of Yr 2014/15	Target 2020	End of Yr 2013/14	Commentary	Quartile position	Polarity
<b>Strategic Transport Infrastructure</b>								
Average vehicle speeds during the weekday morning peak (7am-10am) on locally managed 'A' roads in Leicestershire (mph)		↓	29.9	29.4	30.7	We continue to target congestion hotspots through a number of road schemes and initiatives. Latest data is for period 2013/14, previous data is for period 2012/13.	2nd	High
Total CO2 emissions in the local authority area originating from road transport (DECC) (kilotonnes).		↓	1,835	<1894	1,807	Continued work to reduce emissions through a variety of schemes. Latest data is for period 2013, previous data is for period 2012.		Low
<b>Sustainable Transport &amp; Road Maintenance</b>								
% of the classified road network (A, B and C class roads) where structural maintenance should be considered (SCANNER)		↑	2%	5-6%	4%	The condition of Leicestershire highways remains at a very good level and amongst the best in the country.	1st	Low
% of network gritted		→	45%	45%	45%	We expect to grit all of our priority routes 1 and 2 (which cover 45% of the network). In 2014/15 we gritted all of these routes for each of 72 call outs.		High
Overall satisfaction with the condition of highways (NHT satisfaction survey)		↑	34.6%	top quartile	34.0%	Highest overall customer satisfaction rating compared to all other counties taking part in the survey. (Oct 14 data)	1st	High
Satisfaction with cycle routes/lanes & facilities		↓	39.1%	-	44.4%	We continue to invest in improved routes and facilities, particularly in our priority areas. Satisfaction remains above average compared with other counties.	2nd	High
Number of bus journeys		↑	14,044m	13.6m	13,644m	Bus patronage increased this year.	4th	High
<b>Notes:</b> Comparators are other county councils								



**Health & Social Care Integration**

Note: 'ASCOF' refers to the Department of Health Adult Social Care Outcomes Framework

Description	2014/15 performance	Direction of Travel	End of Yr. 2014/15	Target 2017/18	End of Yr. 2013/14	Commentary	Quartile position	Polarity
<b><u>Unified Prevention, Information &amp; Urgent Response</u></b>								
Permanent admissions of older people to residential and nursing care homes per 100,000 pop (ASCOF 2A Pt II) (BCF)		↑	711.8	670.39	756.2	During 2014/15 there were 925 people aged 65 or older admitted to permanent care in either a residential or nursing setting. An improvement on last year.	3rd	Low
Permanent admissions to residential or nursing care of service users aged 18-64 per 100,000 pop (ASCOF 2A Pt I)		↓	15.6	13.5	12.0	During 2014/15 there were 63 people aged 18-64 admitted to permanent care in either a residential or nursing setting. This is more than the previous year (50).	3rd	Low
Non-elective admissions to hospital per 100,000 pop per month (BCF)		↓	769.92	717.44	714	Emergency admissions to hospital continue to be higher than planned for and additional work is underway to tackle this. Actions progressing through BCF plan implementation. Figures show the monthly average for Apr-June 2015.		Low
Supporting schemes to achieve BCF non-elective admissions target.		↑	1047	2041	~	Target is for December 2015. Data from January to July 2015. Schemes include: Rapid Response Falls Service, 7 Day Working Primary Care, Rapid Assessment for Older Persons Unit and Integrated Health and Care Crisis Response.		high
Admissions from injuries due to falls per 100,000 pop per month (BCF)		↑	140.47	151.42		Target is for March 2016 - actions progressing through new BCF plan implementation.		Low
% of people who use services who find it easy to find information about support (ASCOF 3D part 1)		↑	73.7%	n/a	68.0%	Online information reviewed and updated. The proportion of service users who found it easy to find information improved by 5%.	3rd	High
% of carers who find it easy to find information about support (ASCOF 3D part 2)		↓	58.4%	n/a	65.5%	The carers survey is conducted every two years and in 2014/15 58.4% found it easy to find information.	4th	High
<b><u>Long Term Conditions</u></b>								
Patients satisfied with support to manage long term health conditions (BCF)		↓	61.6%	66.8%	64.2%	Actions progressing through new BCF plan implementation. Target is for March 2016. Current data sourced via GP Survey shows September to March 2015 results published in July 2015.		High
<b><u>Improved Discharge &amp; Reablement</u></b>								
Delayed transfers of care from hospital per 100,000 pop per month (BCF)		↑	238.74	350.48	370.02	This indicator measures the number of bed-days taken up due to a delay in hospital discharge. Delayed transfers of care show significant improvement in recent months, with BCF target achieved in May 2015 and lowest numbers delayed since April 2011. Data shown is for April-June 2014/15 and 2015/16.		Low
Delayed transfers of care - adult social care only - per 100,000 pop per month		↓	2.2	n/a	1.1	Significant improvements in performance in recent months. Performance remains better than the average of comparable and regional authorities.	2nd	Low
% of people aged 65+ still at home 91 days after discharge from hospital into reablement / rehabilitation services (ASCOF 2B Pt I) (BCF)		↑	83.5%	82.01%	78.6%	Performance improved by 5%. This is similar to the national average (83.8%). Target is for March 2016 - actions progressing through BCF plan implementation	3rd	High
% of people receiving reablement with no subsequent long-term service (ASCOF 2D)		↑	76.0%	n/a	n/a	ASCOF 2D is a new metric introduced in 2014/15. It measures the proportion of people who had no need for ongoing services following reablement. The proportion was above the national average of 72.6%.	2nd	High

**Health & Social Care Integration**





Note: 'ASCOF' refers to the Department of Health Adult Social Care Outcomes Framework












Description	2014/15 performance	Direction of Travel	End of Yr. 2014/15	Target 2017/18	End of Yr. 2013/14	Commentary	Quartile position	Polarity
<b>Personalisation</b>								
% of people who use services who have control over their daily life (ASCOF 1B)		↓	73.6%	80%	75.0%	The proportion of service users stating that they have control over their daily life reduced slightly.	4th	High
% of people using social care who receive self-directed support (national, ASCOF 1C Pt 1a)			91.3%	n/a	n/a	Performance was above the national average. ASCOF indicators relating to self-directed support have been re-defined and as such there is no historical data.	2nd	High
% of carers receiving self-directed support (ASCOF 1C Pt 1b)			98.0%	n/a	n/a	Performance was above the national average. As with the equivalent indicator for service users, this is a re-defined calculation and consequently there is no historical data.	2nd	High
% of service users receiving support via cash payments (ASCOF 1C Pt 2a)			35.7%	n/a	n/a	Performance is in the top quartile.	1st	High
% of carers receiving direct payments (ASCOF 1C Pt 2b)			95.0%	n/a	n/a	Performance is in the 2nd quartile.	2nd	High
<b>Dementia</b>								
Dementia diagnosis rate		↑	57.15%	67%	48.23%	Good improvement in dementia diagnosis rate. Data is provisional and includes Rutland. Target shown is CCG set target for 2015/16.	2nd	High
<b>Learning Disabilities</b>								
% of adults with a learning disability who live in their own home or with their family (ASCOF 1G)		↑	65.0%	73%	61.1%	Performance improved on the previous year although remains an area for improvement.	4th	High
<b>Care Quality</b>								
% of people who use services who had as much social contact as they would like (ASCOF 11 pt 1)		↓	40.0%	n/a	44.6%	ASCOF 11 is sourced from the annual adult social care survey. 40% of service users responding to the survey stated that they had as much social contact as they would like.	4th	High
% of carers who had as much social contact as they would like (ASCOF 11 pt 2)			32.5%	n/a	n/a	New ASCOF measure from carers survey 2014/15. National average is 38.2%.	4th	High
Overall satisfaction of people who use services with their care and support (ASCOF 3A)		↑	66.0%	n/a	60.1%	The proportion of service users stating that they are satisfied with their care and support increased to 66% in 2014/15. Performance is above the national average.	2nd	High
Overall satisfaction of carers with their care and support (ASCOF 3B)		↓	41.2%	n/a	43.3%	Overall satisfaction of carers is sourced from the carers survey in 2014/15. This is a small reduction from 43.2% two years ago although remains in line with the national average.	3rd	High
Number of Care Home QAF providers		→	48	n/a	51	There are a total of 48 providers that exceeded the "standard quality" of service as outlined in the Quality Assessment Framework during 2014/15.	High	High
Social care related quality of life (ASCOF 1A)		→	18.8	n/a	19.0	This measure is drawn from a number of questions in the annual survey of service users including such topics as control over daily life, how time is spent, and social contact. Performance is slightly below the national average (19.1).	3rd	High

Health & Social Care Integration								
Description	2014/15 performance	Direction of Travel	End of Yr. 2014/15	Target 2017/18	End of Yr. 2013/14	Commentary	Quartile position	Polarity
Carers reported quality of life (ASCOF 1D)		↓	7.4	n/a	7.9	This measure is drawn from a number of questions in the biennial carers survey and includes such topics as control over daily life, how time is spent, and social contact. The national average is 7.9.	4th	High
<b>Safeguarding Adults</b>								
% of people who use services who say that those services have made them feel safe and secure (ASCOF 4B)		→	89.2%	89%	90.4%	Performance remains in the top quartile.	1st	High
<b>Better Public Health</b>								
Life Expectancy – Males (Leics)		↑	80.2	80.3	80.1	Males in Leicestershire can expect to live 0.8 years longer than the average for England. To reduce health inequalities we are tackling the wider determinants of health through a range of projects/activity. Latest data is for the period 2011-13.	2nd (Eng.)	High
Life Expectancy – Females (Leics)		↑	84.1	84.6	84	Females in Leicestershire can expect to live 1 year longer than the average for England. Latest data is for the period 2011-13.	1st (Eng.)	High
Slope Index of Inequalities – Males (Leics)		↓	6.2	top quartile	6.1	The gap in life expectancy between the best-off and worst-off males in Leicestershire for 2011-13 is 6.2 years.	1st (Eng.)	Low
Slope Index of Inequalities – Females (Leics)		↑	5	top quartile	5.2	The gap in life expectancy between the best-off and worst-off females in Leicestershire for 2011-13 is 5 years, a slight improvement.	2nd (Eng.)	Low
CVD Mortality (per 100,000 population)		↑	68.5	65.5	71.2	A variety of work contributes to reducing cardiovascular disease. Latest data is for the period 2011-13.	1st (Eng.)	Low
Cancer Mortality (per 100,000 population)		↑	131.1	133.1	135.8	Various actions to help people to adopt healthier lifestyles and become more aware of cancer risk factors. Latest data is for the period 2011-13.	1st (Eng.)	Low
Respiratory Disease Mortality (per 100,000 population)		↑	23.9	23.6	25.6	Public health advice and support and wider prevention programmes for respiratory disease. Latest data is for the period 2011-13	1st (Eng.)	Low
% of eligible women screened - breast cancer (Leics)		→	83.3%	top quartile	83.4%	The average for England is 75.9%. Latest data is for the period 2014.	1st (Eng.)	High
% of eligible women screened - cervical cancer (Leics)		→	78.4%	top quartile	78.5%	The average for England is 74.2%. Latest data is for the period 2014.	1st (Eng.)	High
Prevalence of smoking among persons aged 18 years and over		↑	18.0%	16.3%	18.8%	New stop smoking service now in place. Since 2010 Leicestershire smoking prevalence has been lower than the England average and remains so, current England average is 18.4%. Latest data is for the period 2013. Data sourced from the Integrated Household Survey.	2nd (Eng.)	Low
Rate of hospital admissions for alcohol related causes (per 100,000 population - Leics)		↓	600*	548	594	As part of early intervention work, the alcohol brief intervention service has been extended to pharmacies in addition to GP practices. Latest data is for period 2014/15. (*Provisional figure)	2nd (Eng.)	Low














## Health & Social Care Integration

Note: 'ASCOF' refers to the Department of Health Adult Social Care Outcomes Framework							
Description	2014/15 performance	Direction of Travel	End of Yr. 2014/15	Target 2017/18	End of Yr. 2013/14	Commentary	
						Quartile position	
							Polarity
% who successfully completed drug treatment (non-opiate)		→	36.7%	48%	37.7%	Data shows completions between Oct 13- Sep 14 with non re-presentations up to March 15.	High
% who successfully completed drug treatment (opiate)		↑	9.5%	15%	8.8%	Successful completions and non re-presentations of opiates increased and remain within the top quartile for comparator local authorities. Data shows completions between Oct 13- Sep 14 with non re-presentations up to March 15.	High
Percentage of people offered a health check annually that have received a health check (uptake)		↓	46.6%	61.0%	49.7%	Health check services will be re-procured along with efforts to encourage pharmacies and GPs to work together to improve health check uptake. Cumulative data shown 2013/14 - 2014/15, during this period 104,533 (50.5%) people were offered a NHS healthcheck of which 48,700 people received a health check.	High
% of adults classified as overweight or obese (Leics)		-	65.4%	top quartile	65.4%	Data sourced from Active People Survey. Latest data is for period 2012/13. No recent data update.	Low
% people presenting with HIV at a late stage of infection		↑	48.7%	50%	50%	The average for England is 45%. Latest data is for period 2011-13.	Low
<b>Better Mental Health</b>							
% of people with a low satisfaction score		↓	5.6%	top quartile	4.7%	We are a key partner in the Better Care Together Mental Health workstream, with a range of interventions aimed at helping people avoid becoming ill - focus on building wellbeing and resilience. Latest data is for period 2013/14	Low
% of people with a low happiness score		↑	7.1%	top quartile	8.9%	We are a key partner in the Better Care Together Mental Health workstream, with a range of interventions aimed at helping people avoid becoming ill - focus on building wellbeing and resilience. Latest data is for period 2013/14	Low
% of people with a high anxiety score		→	21.5%	top quartile	21.0%	We are a key partner in the Better Care Together Mental Health workstream, with a range of interventions aimed at helping people avoid becoming ill - focus on building wellbeing and resilience. Latest data is for period 2013/14	Low
Excess under 75 mortality rate in adults with serious mental illness		↓	384.5	reduce	362.6	New transformation plan being progressed to strengthen community based support and access to specialist help. Latest data is for period 2012/13. The average for England is 342.7	Low
Suicide rate (per 100,000)		↓	8.8	top quartile	7.4	We are a key partner in the Better Care Together Mental Health workstream, with a range of interventions aimed at helping people avoid becoming ill - focus on building wellbeing and resilience. Latest data is for period 2011-13. The average for England is 8.8.	Low
Delayed transfers of care (mental health service users)		↑	5.9%	<=7.5%	6.2%	Overall performance stays within the Monitor 7.5% target. Data relates to LPT performance rather than social care related delays.	Low
















Health & Social Care Integration						
Description	2014/15 performance	Direction of Travel	End of Yr. 2014/15	Target 2017/18	End of Yr. 2013/14	Commentary
% of patients that received treatment in Child & Adolescent Mental Health Services (CAMHS) within 13 weeks - (routine)		↓	83%	increase	88%	Better Care Together working group focussing on improvements to CAMHS services. New indicator from LPT, data shows the position at March 2015. 100% of patients were treated within target for urgent CAMHS referrals.
Average length of stay - mental health		↑	52.8	reduce	79.7	Data as at March 2015, relates to LPT performance
<b>Better Physical Health, Sport and Physical Activity</b>						
Percentage of Leicestershire population (16+) participating in one or more sports a week for 30 minutes or more.		↑	38.1%	increase	36.6%	Although showing an improvement results now include more exercise categories. Data relates to the 2014/15 interim Active People Survey Apr 14- Mar 15.
% of physically inactive adults		↑	24.8%	reduce	26.3%	This indicator has shown improved performance during the year moving Leicestershire into the top quartile. Indicator measured through Active People Survey.
<b>Notes:</b> ASCOF benchmarks are compared to all social services authorities						
					Quartile position	Polarity
						High
						Low
						High
						Low

Description	2014/15 performance		Direction of Travel	End of Yr 2014/15	Target 2017/18	End of Yr 2013/14	Commentary	Quartile position	Polarity
	2014/15 performance	2014/15 performance							
<b>Children and Families</b>									
<b>Supporting Families &amp; Early Help</b>									
Number of families supported by Supporting Leicestershire Families service		560	↑	560	480	338	560 families have been worked with since the service inception.	High	High
% of Payment by Results (PBR) families outcomes met - SLF Phase 1		100%	→	100%	100%	100%	A new phase of Payment By Results started in September 2014 after the previous target was met.	1st (Eng.)	High
% of Payment by Results (PBR) families outcomes met - SLF Phase 2		n/a		n/a	2799	n/a	97 families already claimed under Phase 2.		
Early Help feedback and evaluation - satisfaction		n/a		n/a	n/a	91%	Qualitative data suggests very high satisfaction levels remain across Early Help services. Number of Early Help cases stepped up to social care has reduced significantly.		High
Children's Centre clusters judged by Ofsted to be Good or Outstanding		83%	→	83%	100%	83%	5 of the 6 Children Centre clusters have now been inspected by Ofsted and judged to be 'Good'.		High
<b>Ensuring Children &amp; Young People are Safe</b>									
Single assessments completed within 45 working days		n/a		95.6%	n/a	n/a	New single assessment framework implemented for 2014/15 to improve speed and quality of response to children's needs. The new framework has a national target of 45 days for completion.		High
Child protection cases which were reviewed within required timescales		97.8%	→	97.8%	100%	97.9%	Performance improved in the second half of 2014/15	2nd (2013/14)*	High
Children becoming the subject of a Child Protection Plan for a second or subsequent time		17.2%	↓	17.2%	<9%	12.6%	Analysis of second and subsequent child protection plans (CPPs) undertaken. As a result of findings, management oversight has been strengthened, particularly over cases where it is proposed to end the CPP at the 3 month review stage.	4th (2013/14)*	Low
<b>Children in Care</b>									
Stability of placements - children in care with 3 or more placements in year.		14.4%	↓	14.4%	<9%	11.8%	Analysis undertaken to determine reasons for placement changes. As a result, work is underway to ensure that the first placement that a child has on coming into care is more successful. Provisional figure - to be confirmed by DfE in Autumn.	4th (2013/14)*	Low
Stability of placements - children in same placement for 2+ years or placed for adoption		59.7%	↓	59.7%	70%	64.5%	See comment above.	4th (2013/14)*	High
% children in care achieving level 4 in Reading, Writing & Maths at KS2		56%	↓	56%	increase	58%	Leicestershire Virtual Schools Team continues to support children to achieve the best outcomes and prepare them for work. Very slight decrease compared to previous year but expected to remain top quartile.	1st (2013/14)*	High












## Children and Families












Description	2014/15 performance		Direction of Travel	End of Yr 2014/15	Target 2017/18	End of Yr 2013/14	Commentary	Quartile position	Polarity
	2014/15 performance	Travel							
% children in care achieving 5+ A*-C GCSEs at KS4 (inc. English & Maths)		→	7.7%	increase	7.7%	Leicestershire Virtual Schools Team continues to support children to achieve the best outcomes and prepare them for work.	4th (2013/14)*	High	
Total average time in days to place with prospective adopters		↑	546	reduce	583	Range of initiatives to improve fostering and adoption. Data shows 3 year average for 2012-2015. Provisional figure - to be confirmed by DfE in Autumn.	2nd (2013/14)*	Low	
% children who wait less than 18 months for adoption		↑	62.5%	65%	60%	Significant increases in the number of adoptions sustained in 2014/15. Data shows 3 year average for 2012-2015. Provisional figure - to be confirmed by DfE in Autumn.	1st (2013/14)*	High	
Care leavers aged 19, 20 and 21 in education, employment or training		↑	45.2%	top quartile	38.3%	Children in Care service working closely with Prospects to identify those in need of support. Provisional figure - to be confirmed by DfE in Autumn.	3rd (2013/14)*	High	
Care leavers aged 19, 20 and 21 in suitable accommodation		↑	73.6%	top quartile	61.1%	Good improvement compared to previous year. Provisional figure - to be confirmed by DfE in Autumn.	4th (2013/14)*	High	
% Looked after children receiving dental checks		↑	78.2%	increase	73.5%	Specialist nurse for Looked After Children progressing improvements		High	
% Looked after children receiving health checks		↑	86.0%	increase	74.2%	Specialist nurse for Looked After Children progressing improvements		High	
% Looked after children receiving immunisations		↑	87.9%	increase	86.4%	Specialist nurse for Looked After Children progressing improvements		High	
<b>Supporting Children &amp; Young People to Achieve Their Potential</b>									
<b>School admissions and quality</b>									
% of pupils offered first choice primary school		↓	88.7%	90%	90.0%	A small drop due in part to over subscription of popular schools. Over 95% secured a place at one of their top 3 schools.	2nd	High	
% of pupils offered first choice secondary school		↓	94.3%	98%	96.4%	A small drop due in part to over subscription of popular schools.	1st	High	
% of providers in early years assessed as good or outstanding		↑	85.9%	increase	75.5%	Strong improvement during the year. The percentage of childminders rated as 'good/outstanding' rose significantly during the year, contributing to this rise.	tbc	High	
% of schools assessed as good or outstanding		↑	84.7%	>84%	82.0%	The number of good or outstanding schools has again increased.	2nd	High	
Secondary school persistent absence rate		↑	5.8%	6.4%	7.4%	There has been a reduction in persistent absence both nationally and in Leicestershire.	3rd	Low	




## Children and Families

Description	2014/15 performance		Direction of Travel	End of Yr 2014/15	Target 2017/18	End of Yr 2013/14	Commentary	Quartile position	Polarity
	2014/15 performance	Travel							
<b>Early Years &amp; Key Stage 1</b>									
% take-up of free early education by 2 year olds		→	66.1%	80%	74.6%	Overall numbers remain the same although the percentage has fallen due to a change in calculation.	High		
% take-up of free early education by 3 & 4 year olds		↑	90.3%	95%	88.4%	Increased take-up of free provision. Data shown is Spring Term 2015.	High		
% Achieving Good Level of Development (early years)		↑	63.8%	60%	58.3%	Achievement in Leicestershire has seen a significant rise for the second consecutive year.	High	tbc	
% inequality gap in achievement across early learning goals		↑	30.3%	reduce	30.8%	The gap between the lowest performance and the rest has reduced again for 2014/15.	Low	tbc	
Key Stage 1 Average Point Score (Reading, Writing and Maths)		↑	16.2	increase	16.1	Strong Key Stage 1 performance was maintained.	2nd	High	
<b>Key Stage 2</b>									
Achievement at level 4 or above in Reading, Writing and Maths at Key Stage 2		↑	80.3%	85%	78.6%	Achievement in Leicestershire improved again in this area.	2nd	High	
% pupils eligible for Free School Meals achieving level 4 in Reading, Writing & Maths at KS2		↑	60.3%	Above average	57.6%	Improved performance helped to decrease the gap to the 'all pupils' average.	High		
2 levels progress in Reading between Key Stage 1 and Key Stage 2		↓	88.8%	Above average	89.8%	Progress remains an area for improvement.	4th	High	
2 levels progress in Writing between Key Stage 1 and Key Stage 2		↑	92.9%	Above average	91.5%	Progress between Key Stage 1-2 improved in this area.	4th	High	
2 levels progress in Maths between Key Stage 1 and Key Stage 2		→	87.4%	Above average	87.7%	Progress remains an area for improvement.	4th	High	
<b>Key Stage 4 &amp; 5</b>									
Achievement of 5 or more A*-C grades at GCSE or equivalent including English and Maths (Key Stage 4)		→	56.1%	70%	56.5%	Some good and improved performance by 11 schools, particularly around maths (4.6% above national figs) although the average reduced slightly due to lower than expected performance in 4 schools.	Avg - 56.3%	High	
% pupils eligible for FSM achieving 5+ A*-CGSEs (or equiv.) at KS4 (inc. English & Maths)		↑	28.6%		27.9%		High		
% of pupils making expected progress from Key Stage 2 to 4 in English		↓	66.7%	Above average	67.5%	National average is 70.2%	3rd	High	
% of pupils making expected progress from Key Stage 2 to 4 in Maths		↑	68.7%	Above average	65.1%	National average is 66.6%	2nd	High	
Average points score at 'A' Level (or equivalent)		↓	207.2	215	209.6	National average is 213.3	3rd	High	









Children and Families		2014/15 performance		Direction of Travel		End of Yr		End of Yr		End of Yr		Commentary		Quartile position		Polarity	
Description				Travel		2014/15		2017/18		2013/14							
<b>Vulnerable groups</b>																	
% of special schools assessed as good or outstanding				→		100.0%		100%		100.0%		All special schools are now rated as good or outstanding.		1st		High	
Pupils with special educational needs achieving Level 4+ at Key Stage 2 (Reading, Writing and Maths)				↑		33.0%		increase		32.9%						High	
Pupils with special educational needs achieving 5+ GCSEs (inc. English and Maths)								increase		13.8%						High	
<b>Child &amp; Family Health</b>																	
Smoking at time of delivery (Leics & Rutland)				↑		10.7%		10.8%		11.35%		Small reduction and now below the target. Latest data is for the period 2013/14.		2nd (Eng.)		Low	
% Mothers initiating breastfeeding (where status is known)				↓		68.7%		increase		74.2%		Latest data is for period 2013/14. Initiating breastfeeding is currently below the England average of 73.9%. Breastfeeding peer support services are available in six areas and breastfeeding champions nominated in health visiting teams.		3rd (Eng.)		High	
Prevalence of breastfeeding at 6–8 weeks from birth (Leics)				↑		46.5%		increase		45.2%		Latest data is for 2014/15 and shows a small improvement.		2nd (Eng.)		High	
% children aged 5 years with tooth decay				-		37.1%		reduce		n/a		Latest data is for period 2012. In April 2015 responsibility for commissioning oral health promotion transferred to local authorities. A new oral health promotion contract commenced in August 2015. The plan includes establishing a range of oral health promotion activities with additional funding agreed.		4th (Eng.)		Low	
Excess weight in primary school age children in Reception (Leics)				↑		20.8%		19.9%		21.0%		Slight improvement in performance remaining in the top quartile and better than the 22.5% England average. Latest data is 2013/14 academic year.		1st (Eng.)		Low	
Excess weight in primary school age children in Year 6 (Leics)				↑		30.1%		31.3%		31.3%		Improved performance moving us into the top quartile. England average 33.5%. Latest data is 2013/14 academic year.		1st (Eng.)		Low	
Chlamydia diagnoses (per 100,000 aged 15-24) (Leics)				↓		1616		1680		1718		Sexual health commissioning currently being reviewed and improved.		4th (Eng.)		High	
Under 18 conception (rate per 1,000 females aged 15-17) (Leics)				↑		20.9		24.2		21.7		Leicestershire's teenage pregnancy rate has dropped for the 7th consecutive year - lower than East Midlands and England rates. Latest data is 2013.		2nd (Eng.)		Low	
<b>Notes:</b> Comparators are other county councils, except where (Eng.) indicates that comparison is with all English local authority areas.																	
* Where indicated, Leicestershire's 2013/14 quartile positions have been used.																	

Safer Communities - Better Environment/Place								
Description	2014/15 performance	Direction of Travel	End of Yr 2014/15	Target 2017/18	End of Yr 2013/14	Commentary	Quartile position	Polarity
<b>Crime Minimisation</b>								
Total Crime rate (per 1,000 pop.)		↑	45.79	44.75*	47.18	Total crime was lower than the previous year and is now top quartile.	1st	Low
Domestic burglary (per 1,000 pop.)		↑	3.10	2.99*	3.44	The number of reported domestic burglary offences was lower than previous years, but is still a priority for improvement.	4th	Low
Vehicle Crime (per 1,000 pop.)		↓	6.35	4.91*	5.71	There has been a further increase in the number of reports of vehicle crime. Community Safety Partnerships continue work to prevent crime and support victims.	4th	Low
Violence with injury rate (per 1,000 pop.)		↑	3.39	3.51*	3.58	The number of reported violence with injury offences was lower than the previous year.	1st	Low
People who feel safe after dark		↓	82.10%	95%	84.30%	Data taken from Community Based Survey. Community Safety Partnerships continue work to ensure people feel safe.		High
<b>Youth Justice</b>								
% of juvenile offenders re-offending within 12 months		↓	32.6%	top quartile	30.5%	Data includes proven re-offending up to Sept 2014. Whilst the proportion of re-offending has increased, this is in line with the national trend and remains below the national average. The Youth Justice Plan continues to target re-offending.	2nd	Low
Number of first time entrants to the criminal justice system aged 10 - 17		↑	185	top quartile	212	Further reduction in first time entrants to the criminal justice system. The lowest rate since monitoring began in 2005.	1st	Low
% of juvenile offenders given a custodial sentence		↓	4.2%	>5%	2.4%	The number of young offenders given a custodial sentence is 8 young people and has increased by 2.		Low
<b>Anti-social Behaviour</b>								
% of people stating that they have been a victim of anti-social behaviour		↑	5.3%	reduce	7.7%	Fewer people surveyed report that they have been a victim of ASB. Reports of ASB to the police and councils have also reduced.		Low
Criminal damage rate (per 1,000 population)		↑	6.62	-	7.44	A continued reduction in criminal damage offences.	1st	Low
% of people stating that they feel that the police and other local public services are successfully dealing with ASB and crime in their local area		↑	86.1%	-	79.0%	Significant improvement on previous year's result, which may reflect the variety of ASB campaigns delivered during the year.		High

Safer Communities - Better Environment/Place							Quartile position	Polarity
Description	2014/15 performance	Direction of Travel	End of Yr 2014/15	Target 2017/18	End of Yr 2013/14	Commentary		
<b>Community Cohesion &amp; Supporting Victims of Crime &amp; Disorder</b>								
% agree people from different backgrounds get on well together		↑	94.60%	95.0%	93.80%	We continue work to strengthen community cohesion, supporting communication with and across community groups.		High
Reported hate incidents (per 1,000 population)		↑	0.68	-	0.64	Awareness raising and support work has supported an increase in reports to our Hate Incident Project.		High
Reported domestic abuse incident rate (per 1,000 population)		↓	11.04	-	12.15	Reduction in reports of domestic abuse in 2014/15. Domestic abuse services supported over 1,000 people to improve safety and recovery during 2014/15.		High
% of domestic violence cases reviewed at MARAC that are repeat incidents		↓	27%	-	21%	The increase this year has been explored and identified as due to improved, more consistent referral processes rather than an actual increase in repeat victims.		NA
<b>Road Safety</b>								
Total casualties on our roads.		↓	1,915	1,494	1,889	A slight increase in road casualties in 2014, but still 575 fewer than the baseline average for 2005-2009. We continue to work to improve safety on our roads, through highways improvements and education. Data shown is for 2014 calendar year. The target is for 2020.		Low
People killed or seriously injured in road traffic accidents		↓	250	167	186	The number of people Killed or Seriously Injured on our roads rose in 2014. This follows continuing year-on-year reductions since the baseline year and remains 10% lower (28 fewer) than the baseline average for 2005-2009. Data shown is for 2014 calendar year. The target is for 2020.		Low
<b>Reducing Carbon Emissions &amp; Mitigating the Impact of Climate Change</b>								
Total CO2 emissions from LCC operations (excluding schools) (tonnes)		↑	29,020	26,120	30,424	The council's energy consumption and carbon emissions have reduced this year. 2017/18 interim target.		Low
Carbon emissions from LCC buildings (tonnes)		↑	8,870	7,383	9,507	Reductions in carbon emissions from our buildings are on track for our longer-term targets. 2020/21 target.		Low

### Safer Communities - Better Environment/Place

Description	2014/15 performance	Direction of Travel	End of Yr 2014/15	Target 2017/18	End of Yr 2013/14	Commentary	Quartile position	Polarity
CO2 emissions from LCC street lighting & traffic signs (tonnes)		↑	13,558	10,305	14,359	Carbon emissions from street lighting and traffic signs have reduced. Longer-term plans regarding LED lighting and lighting management will achieve the longer-term target reduction. 2020/21 target.		Low
Total Business miles claimed ('000s of miles)		↑	6,905	6,591	7,565	The number of business miles claimed continues to reduce and is on track for the long-term target. 2020/21 target.		Low
<b>Waste Management</b>								
Total household waste per household (kg)		↑	1104	decrease	1110	Total household waste has reduced slightly this year.	4th	Low
% of household waste sent by local authorities across Leicestershire for reuse, recycling, composting etc.		↓	50.5%	increase	53%	Reduction in % is due to a change in Environment Agency guidance regarding mixed wood waste which means this is now not included in figures. The previous year's figure includes mixed wood waste for part of the year.	1st	High
% Local authority collected waste landfilled		↑	29.0%	decrease	31.4%	The proportion of waste landfilled remains low and improved compared to last year.	2nd	Low
Waste produced from LCC sites (tonnes)		↑	623	decrease	791	Significant reduction compared to 2013/14 due to a variety of improvement work.		Low
% waste from LCC sites recycled		↓	54.4%	70%	60.5%	Whilst the proportion of non-operational waste recycled by staff (internal sorting) has dropped, waste is further sorted by the new contractor. The Council has been rated in the top 10% of recyclers.		High
<b>Leicestershire's Cultural Environment</b>								
Tourist visitor numbers (Leicester & Leics)		↑	30.41m		29.45m	Overall in 2014 there were 30.4m visits to Leicester and Leicestershire, which equates to 36.6m days. Visitor numbers to the County increased by 3.2% in 2014, to stand at 20.6m, partly attributed to the King Richard III interment and the Stay, Play and Explore initiative. (2014 STEAM data).		High
Bosworth Battlefield - total visitors		↓	44,171		48,145	2014/15 result is slightly lower than the previous year but 10,000 higher than 2012/13.		High
Library total visits per 1,000 pop'n		↓	3,359		3,886	National trend of reduction in library visits.	3rd (2013/14)	High
Library total issues		↓	2,451,125		2,827,729	National trend of reduction in library issues. Electronic product downloads increased 51% on last year.	3rd (2013/14)	High
<b>Notes:</b> Comparators are other county areas, since agreement of the Council's Strategic Plan the Police & Crime Commissioner for Leicestershire has removed all numerical targets for crime from his Police and Crime Plan, in line with national guidance, instead targeting a significant reduction in the key crime types listed.								
* Where indicated, Leicestershire's 2013/14 quartile positions have been used.								



**SCRUTINY COMMISSION - 4 NOVEMBER 2015**

**2015/16 MEDIUM TERM FINANCIAL STRATEGY MONITORING (PERIOD 6)**

**REPORT OF THE DIRECTOR OF CORPORATE RESOURCES**

**Purpose of Report**

1. To provide members with an update on the 2015/16 revenue budget and capital programme monitoring position.

**Policy Framework and Previous Decisions**

2. The 2015/16 revenue budget and the 2015/16 to 2018/19 capital programme were approved by the County Council at its budget meeting on 18 February 2015 as part of the Medium Term Financial Strategy (MTFS). The MTFS is monitored throughout the financial year.
3. Cabinet on 11 September 2015 approved additional one off “invest to save” expenditure to be funded from additional resources arising from projected underspends and resources previously earmarked for the street lighting LED project.

**MTFS Monitoring (Period 6) - Background**

4. The latest revenue budget monitoring exercise shows a net projected underspend of £6.7m, as summarised in Appendix 1. Details of major variances are set out below.
5. The latest capital programme monitoring exercise shows an underspend of £1.7m compared with the updated budget.
6. The 2015/16 revenue budget and the 2015/16 to 2018/19 capital programme were approved by the County Council at its budget meeting on 18 February 2015 as part of the Medium Term Financial Strategy (MTFS).
7. Cabinet on 11 September 2015 approved the use of available resources to fund “invest to save” projects totalling £8.7m, as set out in paragraph 33 below.
8. The monitoring information contained within this report is based on the pattern of revenue and capital expenditure and income for the first six months of this financial year.

## **REVENUE BUDGET**

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

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

#### **Dedicated Schools Grant (DSG)**

10. A net overspend of around £2.6m is currently forecast, mainly relating to increased demand on the Special Educational Needs (SEN) budget (£2.3m) and a reduction in High Needs Block DSG funding (£0.8m). The net overspend will be funded from the DSG earmarked fund in the short term whilst further work on mitigating actions takes place. The DSG earmarked fund totals £10.8m at 1 April 2015 and can be used to fund the pressure this year. However there are a number of other pressures on the earmarked fund as some of the fund is already meeting 2015/16 costs and other elements are earmarked for specific purposes. The fund will be reviewed as part of the 2016 MTFS.
11. The forecast SEN overspend relates to increased demand for places at special schools, compared with previous years, with fewer age 19 leavers and a larger intake of younger pupils. The change in education Participation Age in September 2015 from age 17 to age 18 is also a factor in the increase. The position is further impacted by an increase in the numbers of pupils diagnosed with Autism Spectrum Disorder (ASD) needing high cost independent specialist provision. This increase in numbers of ASD pupils diagnosed is a national issue due to changes in the diagnostic pathway.

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

12. The Department has a net forecast overspend of £4.3m (7.3%). The position has improved slightly compared with £4.7m forecast in period 4. The overspend mainly relates to an estimated £5.9m overspend due to pressures on the Social Care Placements budget. Over the last 6 months there has been a significant increase in the number of 12-15 year olds with complex needs coming to C&FS's attention. Despite increased referrals to Early Help a proportion of these 12 -15 year olds have required high cost responses to address their particular needs, including challenging behaviour, severe emotional distress and/or sexual exploitation. The cost of provision for this type of need is significant and range from £140,000 to £312,000 per annum per case. Whilst numbers are relatively low, 13 in the first quarter of 2015/16, the cost incurred has been c£2.5m and is a significant element within the current projected overspend. The number of high cost placements has stabilised in quarter 2. Detailed work is underway on forecasting for quarters 3 and 4 however this is very difficult to predict.
13. A number of actions have been and will continue to be taken to reduce the cost and number of placements which include:

- Commissioning of an external specialist to develop the approach to foster carer recruitment; a draft business case with a number of options has been received and is being considered;
  - Establishment of 'specialist' foster carers to reduce the number of placements in Independent Fostering Agencies (IFA's); one placement has been made and further carers are in the assessment process underway;
  - Contract negotiations with IFA's to reduce the unit cost of individual placements; this has resulted in savings being delivered;
  - The decision making process to take children into care has been revised to introduce more robust and independent challenge at the early stage of the care process. The implementation plan is almost complete and the first cases will be considered in November;
  - Restructure of the fostering and adoption team which has introduced a commissioning / analyst function; this is focusing on the development of enhanced management and performance data.
14. The overspend has also been partially offset by the early generation of MTFS savings in Early Help.
15. There are some further, more radical, areas for investigation including directly intervening in the care market by establishing or acquiring providers. Other solutions may also come out of the further analytical work that will try and understand the underlying causes of the increase in numbers and costs of residential placements.

### **Adults and Communities**

16. At this stage a net underspend of £1.7m (1.3%) is forecast. Early achievement of savings projects, particularly on Early Intervention and Prevention and In-house provider services, are generating significant underspends (£2.8m) in advance of the savings required in 2016/17. These savings have been partially offset by delays to savings impacting demand led care budgets, lower than budgeted service user income and forecast bad debt write offs.
17. The Government announced in July 2015 its decision to delay the introduction of the cap on care costs until April 2020. Although confirmation has been received that the current year grant will not be impacted there remains a risk regarding the funding received for implementing the Care Act (Phase 1 & 2) of approximately £5.5m for future years. The position may be clearer following the autumn Spending Review for 2016/17 funding.

**Public Health**

18. The Government's intention to reduce non-NHS Public Health funding as part of debt and deficit reduction proposals announced by the Chancellor of the Exchequer on 4th June 2015 is likely to result in a reduction in funding in Leicestershire's ring-fenced grant by an estimated £1.6m (6.2%). The Service is currently looking at planned spend to determine the level of savings that can be absorbed and the implications of those savings. At this stage it is assumed that around £1m of the grant reduction cannot be absorbed by the Service.

**Environment and Transport**

19. The Department has a forecast net overspend of £120,000 (0.2%). Variances include:
- Highways – overspends of £0.11m on Safety Maintenance and £0.1m on Structural Maintenance, offset by an underspend of £0.1m on Road Safety;
  - Transportation – overspends on Special Educational Needs Transport (£0.75m) and Social Care Transport (£0.15m) are offset by underspends on Concessionary Travel (£0.44m), Mainstream School Transport (£0.3m) and the Blue Badge Scheme (£0.1m);
  - Environment – a net overspend of £0.1m, mainly due to reduced “energy from waste” capacity (treatment contracts) leading to a transfer of waste to landfill, for which disposal rates are higher, and a general increase in landfill tonnages;
  - Staffing and Administration – a net underspend of £0.2m mainly due to vacancies and additional income.

**Chief Executive's**

20. The Department is forecast to have a net underspend of £0.54m (5.3%), mainly relating to staff vacancies and increased income.

**Corporate Resources**

21. The Department is forecast to have a net underspend of £0.94m (2.7%), mainly relating to contingencies no longer being required, staff vacancies and increased income.

**Contingencies**

22. A contingency of £8m was made against delays in the achievement of savings. Given the forecast pressure on the Placements budget, reduction in Public Health Grant and possible delays to some MTFs savings, it is assumed that



around £2m of the contingency may be required; the remaining £6m is shown as an underspend.

### **Central Items**

23. Bank and other interest is forecast to be £0.5m higher than the original budget. The changes to the lending counterparty list that were effective from 1 April 2015 will have the impact of giving more flexibility in managing the portfolio, and this will lead to a higher average interest rate.
24. Cabinet on 11 September 2015 approved the investment of £15m of the Council's earmarked funds into a pooled property fund. The Pension Fund property advisor has submitted a recommendation to invest in two UK pooled property funds (£7.5m in each) with Lothbury Property Trust and Hermes Property Unit Trust and this has been agreed by the Lead Member for Corporate Resources. This will raise interest by a significant amount, in effect replacing £15m at 0.5% with £15m at around 4%. There will only be a part-year impact in the current year and the level of impact will depend on the timing of the investment(s), which will depend to a certain extent on market conditions. The investment is funded from the overall balance of earmarked funds and can be realised in the future when required. At present any additional income from this potential investment has been excluded from the forecasts.
25. An underspend of £0.5m is forecast on the Financing of Capital budget, due to the County Council's strategy to take opportunities to utilise one-off revenue balances and earmarked funds to continue to reduce debt.
26. The Financial Arrangements budget is forecast to be underspent by around £0.18m, mainly due to the receipt of a rebate on a centralised agency arrangement.
27. Pension costs arising from Local Government Reorganisation (LGR) in 1997 and prior to LGR are budgeted for as a central item. It is currently forecast that the budget will be underspent by around £0.1m, mainly due to a larger reduction in the number of pensioners than originally anticipated.
28. In 2013/14 the County Council agreed to contribute £125,000 for additional administrative costs and £0.25m towards Discretionary Discount Funds (DDF) to the District Councils, following changes made under the Localisation of Council Tax Support reforms. DDF requirements have been lower than anticipated and the funding provided in 2013/14 has proved sufficient to fund requirements in 2013/14, 2014/15 and estimated requirements in 2015/16, in all Districts with the exception of Melton, which will require a contribution of around £20,000. An underspend of £230,000 is therefore forecast. Quarterly monitoring of DDF is undertaken with the District Councils.

### **Business Rates**

29. The Government introduced the Business Rates Retention system from April 2013. The business rates “baseline” (“local share”) income which is to be collected during 2015/16 is based on a formal return submitted to the Government by the District Councils, and this shows an increase of £0.5m compared with the budget in the current MTFs. Any shortfall in the level of actual 2015/16 business rates income will impact on 2016/17 or later years.
30. Section 31 Grants are received regarding compensation for the loss of business rate income arising from various business rates reliefs granted by the Chancellor of the Exchequer. The Government provided an estimate of some of these reliefs in the Local Government Settlement, amounting to £0.8m for the County Council, and that figure was included in the MTFs. Further details were released in April 2015 showing an estimate for all of the reliefs of £1.6m.
31. The County Council is undertaking quarterly monitoring with the District Councils and Leicester City Council regarding the Leicester and Leicestershire Business Rates Pool, which was reformed in 2015/16. The latest forecasts show a potential surplus of around £3.2m for the sub region in 2015/16 compared with a forecast of around £2.5m in January 2015 when the decision to re-constitute the Pool was taken. The Pooling Agreement allows for any surplus to be given to the Leicester and Leicestershire Enterprise Partnership (LLEP) for investment projects in Leicestershire.

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

32. A net revenue underspend of £6.7m has been identified and additional grant is available to support the project for LED street lighting (£5.1m, see paragraph 50 below).
33. This means there is an opportunity to use these resources to support additional one off areas of spend. Cabinet on 11 September approved the use of £8.7m for the following projects:
  - Highways Maintenance £2m;
  - Modelling and advanced design of highways infrastructure schemes £2m;
  - Replacement of aged and leased vehicles for highways and property £2m;
  - Property maintenance and improvements £1m;
  - Energy efficiency £1m;
  - Recycling and Household Waste Sites (RHWS) improvements £0.25m;
  - Shire grants £0.2m;
  - Improved Record Management £0.25m.
34. A potential carry forward request of £0.5m has been included in the forecast. This request is to use part of the projected Corporate Resources Department underspend to fund higher than expected costs for VDI.

35. It is proposed that any additional net underspends be used to fund Transformation work and the voluntary repayment of debt.

### **CAPITAL PROGRAMME**

36. The table below shows an updated budget of £96.4m. The change in resources reflects slippage from 2014/15 and additional resources in 2015/16 including part of £8.7m which was agreed by Cabinet on 11 September 2015 relating to capital.

	Original Budget £m	Outturn adjustment and Changes in Funding £m	Updated Budget £m	Forecast £m	Updated Budget v Forecast Variance £m
Children & Family Services*	30.8	3.1	33.9	33.3	-0.6
Adults and Communities	3.3	0.8	4.1	3.7	-0.4
E&T-Transportation	28.9	10.8	39.7	38.4	-1.3
E&T-Waste Management	0.6	0.4	1.0	0.8	-0.2
Chief Executive's	6.6	0.2	6.8	6.2	-0.6
Corporate Resources	2.3	2.7	5.0	3.5	-1.5
Corporate Programme	3.9	2.0	5.9	8.8	2.9
<b>Total</b>	<b>76.4</b>	<b>20.0</b>	<b>96.4</b>	<b>94.7</b>	<b>-1.7</b>

\*Excludes Devolved Formula Capital (DFC)

### **Children and Family Services**

37. The forecast shows slippage of £0.6m compared with the updated budget.
38. The main areas of variance relates to slippage of £2.2m, comprising:
- Delays with finalising academy specifications for a new primary school in Birstall (£0.3m);
  - Delays as a result of awaiting the outcome of Condition Improvement Fund (CIF) grant bid support at Stafford Leys Primary School in Leicester Forest East (£0.1m);
  - Deferral of the provision of places in Earl Shilton, based on production of the latest requirements of pupil places (£0.8m);
  - Inclusion of Section 106 developer funding (£0.8m) and internal contribution of (£0.2m) to the school accommodation programme.
39. In recognition of the forecast slippage it has been agreed by the Corporate Schools Group (under delegated powers given to the Director of Children and

Family Services and the Director of Corporate Resources by the Cabinet) to accelerate two schemes totalling £1.2m from 2016/17: school accommodation work at Countesthorpe Greenfield Primary School and Barrow Hall Orchard Primary School.

40. The Targeted Early Help Hubs programme which started in 2014/15 is forecast to complete early, resulting in acceleration of £0.3m from the 2016/17 programme.

### **Adults and Communities**

41. The latest forecast shows an underspend of £0.3m and slippage of £0.1m compared with the updated budget.
42. The review of In-House Services has concluded that the scheme to accommodate the Limes Day Centre within the Hinckley Library is no longer required. This has led to a forecast underspend of £0.3m as the capital scheme will no longer proceed.
43. Slippage of £0.1m is forecast for Extracare scheme in Loughborough due to delays in the purchase of the land.

### **Environment and Transport – Transportation Programme**

44. The latest forecast shows slippage of £1.3m compared with the updated budget.
45. The main area of variance relates to slippage of £1.7m on the Zouch Bridge replacement scheme due to delays with the land purchase which means that the work is now likely to commence in Spring 2016; the revised completion date is March 2017 rather than December 2016.
46. Slippage of £1.3m is forecast on the M1 Junction 22 scheme. This is due to a delay in receiving technical approval from Highways England.
47. Slippage of £0.5m is forecast on the Street Lighting Column Replacement scheme. This is due to staff resourcing as the focus is on the street lighting LED programme, and obtaining Department for Transport approval to the alignment of column replacement with the LED programme which came through on 15<sup>th</sup> September.
48. Acceleration of £2.0m is forecast for M1 New Bridge based on a revised profile of expenditure and works.
49. Acceleration of £0.1m is forecast on the Hinckley Phase 3 scheme. Advance design work for Phase 3 has been brought forward to enable works to begin in 2016/17.

50. The County Council has been successful in a bid for £5.1m funding from the Department of Transport's Trunk Challenge Fund towards the costs of the LED Street Lighting invest to save capital scheme. As a result County Council funding of an equivalent amount can be released.

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

51. The latest forecast shows slippage of £0.2m compared with the updated budget.
52. Slippage of £0.2m is forecast on the Coalville Transfer Station. The business case will be evaluated to ensure that the optimal solution is identified. Should the project go ahead it is unlikely that the expenditure will take place in this financial year.

### **Chief Executive's**

53. The latest forecast shows slippage of £0.6m compared with the updated budget.
54. Slippage of £1.0m is forecast on the Loughborough University Science and Enterprise Park. Discussions with Loughborough University over a business investment opportunity are progressing. However, proposals are still to go through both organisations' governance processes.
55. The County Council was successful in securing EU funding (DEFRA – Leader Project) targeted at supporting economic growth in rural areas in Leicestershire. As a result of the grant it is forecast that £0.1m of the LCC Rural Economic Grants Programme will not be required until 2016/17.
56. Acceleration of £0.5m is forecast on the Rural Broadband Scheme Phase 1. Work by British Telecom has continued to progress ahead of the planned timetable. Spend which was originally expected to occur in 2016/17 will take place by the end of March 2016

### **Corporate Resources**

57. The latest forecast shows slippage of £1.5m compared with the updated budget.
58. Slippage of £1.1m is forecast on ICT Data Centre re-provisioning. Following the initial procurement exercise the schedule of works has been revised in light of information from the contractor. Works are now expected to start on site in the new calendar year. The scheme funding includes £0.2m transferred from the County Hall Master Plan for works being done as part of the Data Centre project.
59. Slippage of £0.2m is forecast for Industrial Properties Estate due to the timescales to design, tender and procure the works for a biomass boiler system

at Riverside Court and façade replacement at Loughborough Technology Centre.

60. Slippage of £0.2m is forecast on the demolition of vacant buildings programme. Works have been delayed due to specification and planning delays together with the seasonal nature of restoration/landscaping works.
61. The new Property Asset Management System is forecast to slip by £0.1m. Implementation has been delayed as the contractor has been unable to deliver the development work to the agreed timescales.
62. Works to repair the bridge at Quorn are forecast to overspend by £0.1m. During removal the bridge's stability decreased dramatically and parts of the bridge abutments collapsed. The forecast reflects increased costs of repairing the bridge and reinstating the structure.

### **Corporate Programme**

63. The latest forecast shows acceleration of £2.9m compared with the updated budget.
64. Acceleration of £1.8m is forecast on the Corporate Asset Investment Fund (total fund of £16m between 2014 and 2019). As part of the fund a land purchase has been agreed for investment at "Airfield Farm" to develop industrial and office space in Market Harborough.
65. Expenditure on the County Hall Master Plan is expected to be ahead of schedule with the scheme forecast to complete by March 2016, resulting in acceleration of £1.3m from 2016/17. Works include £0.5m on providing an Out of Hours facility for County Hall and Virtual Desktop Infrastructure to enable mobile and flexible working.
66. Slippage of £0.3m is forecast for the three-year corporate buildings Energy Strategy project. Delays in the implementation of the biomass boiler at County Hall in late 2014/15 have led to incremental delays in other programmed works, resulting in £0.3m slippage to 2016/17. The overall programme is expected to be completed in 2016/17 as originally planned.

### **Capital Receipts**

67. The forecast of general capital receipts in 2015/16 is £5.2m. The budget target is £10.6m. The shortfall relates to the delay of sale on five schemes which are now expected to take place in 2016/17. The shortfall does not affect the financing of the 2015/16 capital programme as part of the overall budgeted receipts were planned to be used in later years.

**Capital Summary**

68. The updated capital programme total is £96.4m and is forecast to slip by £1.7m. At this stage it is projected that spending will be 98.3% of the updated budget. Overall the aim is that 95% of available resources should be spent in year.

**Background Papers**

Report to County Council – 18 February 2015 – Medium Term Financial Strategy 2015/16 – 2018/19

[http://politics.leics.gov.uk/Published/C00000134/M00004176/AI00043041/\\$BUDGETREPORTOFTHECABINET2015.docxA.ps.pdf](http://politics.leics.gov.uk/Published/C00000134/M00004176/AI00043041/$BUDGETREPORTOFTHECABINET2015.docxA.ps.pdf)

Report to Cabinet – 11 September 2015 – Review of the Medium Term Financial Strategy and Investment Proposals

[http://politics.leics.gov.uk/Published/C00000135/M00004230/AI00044721/\\$4reviewofmtfsandinvestmentproposals.docA.ps.pdf](http://politics.leics.gov.uk/Published/C00000135/M00004230/AI00044721/$4reviewofmtfsandinvestmentproposals.docA.ps.pdf)

**Circulation under the Local Issues Alert Procedure**

None.

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**List of Appendices:**

Appendix 1 – Revenue Budget Monitoring Statement

Appendix 2 – Revenue Budget – Forecast Main Variances

Appendix 3 – Capital Programme – Forecast Main Variances

**Equality and Human Rights Implications**

There are no direct implications arising from this report.

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**REVENUE BUDGET MONITORING STATEMENT**  
**FOR THE PERIOD : APRIL 2015 TO SEPTEMBER 2015**

	Updated Budget	Projected Outturn	Difference from Updated Budget		
	£000	£000	£000	%	
<b><u>Schools Budget</u></b>					
Delegated	100,013	100,013	0	0.0	
Centrally Managed	80,350	82,960	2,610	3.2	
Dedicated Schools Grant (DSG)	-180,363	-180,363	0	0.0	
Balance to/from DSG Earmarked Fund	0	2,610	2,610	n/a	
<b><u>LA Budget</u></b>					
Children & Family Services (Other)	59,302	63,602	4,300	7.3	RED
Adults & Communities	134,380	132,640	-1,740	-1.3	GREEN
Public Health *	-1,700	-700	1,000	n/a	RED
Environment & Transport	71,213	71,333	120	0.2	AMBER
Chief Executives	10,230	9,690	-540	-5.3	GREEN
Corporate Resources	35,058	34,118	-940	-2.7	GREEN
DSG (Central Dept recharges)	-922	-922	0	0.0	GREEN
Carbon Reduction Commitment	455	375	-80	-17.6	GREEN
Contingency for efficiency savings	8,000	2,000	-6,000	-75.0	GREEN
Contingency for inflation	3,310	3,310	0	0.0	GREEN
Total Services	319,326	315,446	-3,880	-1.2	
<b><u>Central Items</u></b>					
Bank & Other Interest	-1,000	-1,500	-500	50.0	GREEN
Financing of Capital	24,750	24,250	-500	-2.0	GREEN
Repayment of Debt / MRP	2,940	2,940	0	0.0	GREEN
Revenue Funding of Capital	10,900	10,900	0	0.0	GREEN
Financial Arrangements etc	1,358	1,178	-180	n/a	GREEN
Members Exps & Support etc.	1,363	1,333	-30	-2.2	GREEN
Provision for future Elections	200	200	0	0.0	GREEN
Flood Defence Levies	285	275	-10	-3.5	GREEN
Pension Costs	2,000	1,900	-100	-5.0	GREEN
Contribution to Discretionary Discounts & Admin.	375	145	-230	-61.3	GREEN
Local Support Services Grant	-485	-485	0	0.0	GREEN
New Homes Bonus Grant	-3,165	-3,165	0	0.0	GREEN
New Homes Bonus - element of top slice returned	-185	-185	0	0.0	GREEN
Education Services Grant	-4,000	-3,920	80	-2.0	AMBER
Total Central Items	35,336	33,866	-1,470	-4.2	
Contribution from Earmarked Funds	-1,000	-1,000	0	0.0	GREEN
<b>Total Spending</b>	<b>353,662</b>	<b>348,312</b>	<b>-5,350</b>	<b>-1.5</b>	
<b><u>Funding</u></b>					
Revenue Support Grant	-56,233	-56,233	0	0.0	GREEN
Business Rates - Top Up	-36,439	-36,439	0	0.0	GREEN
Business Rates Baseline	-19,720	-20,260	-540	2.7	GREEN
Small Business Rate relief etc - S31 Grant	-820	-1,620	-800	n/a	GREEN
Collection Fund net deficit / (surplus)	-2,367	-2,367	0	0.0	GREEN
Council Tax	-233,405	-233,405	0	0.0	GREEN
<b>Total Funding</b>	<b>-348,984</b>	<b>-350,324</b>	<b>-1,340</b>	<b>0.4</b>	
<b>Net Total</b>	<b>4,678</b>	<b>-2,012</b>	<b>-6,690</b>		
Additional Resources released from LED Street Lighting project			-5,100		
			-11,790		
Expenditure approved by Cabinet 11/9/15			8,700		
Potential carry forward requests			500		
			9,200		
<b>Overall Net Total</b>			<b>-2,590</b>		

\* Public Health funded by Grant (£25.1m)

'Traffic lights' :

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

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**APPENDIX 2****Revenue Budget 2015/16 – forecast main variances****Children and Family Services****Dedicated Schools Grant (DSG)**

A net overspend of £2.6m is forecast, which will be offset by the DSG earmarked fund. The main variances are:

	£000	% of Budget	
Special Educational Needs	2,280	5%	Increased demand for places at special schools with fewer age 19 leavers and a larger intake of younger pupils. The change in education Participation Age in September 2015 from age 17 to age 18 is also a factor in the increase. The position is also impacted by an increase in the numbers of pupils diagnosed with Autism Spectrum Disorder (ASD) needing high cost independent specialist provision. Additional primary school starters and fewer independent school leavers have added to costs in period 6 as leavers and starters reconciliations are now complete.
DSG High Needs Block	780	1%	Academy Recoupment rules were changed by the Education Funding Agency after the budget was set resulting in a reduction in High Needs Block DSG funding (£0.5m). Also growth bid for additional places at special schools was unsuccessful and this was not known until after budget was set (£0.3m).
Specialist Services to Vulnerable Groups	200	5%	There has been an increase in the numbers of pupils with ASD that are not able to attend mainstream schools and require support from the Autism Outreach Service Intensive Support team.
Early Years – 2 Year Old Offer	115	4%	Take up of the offer has been greater than envisaged.
Nursery Education Funding	100	1%	Based on summer head count early indications point to a potential overspend, higher numbers also increase the Early Year's DSG. Will be reviewed following autumn head count.
DSG Early Years Block	-510	2%	The forecasted grant has increased as a result of the latest summer term head count information.

Local Authority Budget

A net overspend of £4.3m (7.3%) is forecast. The main variances are:

	£000	% of Budget	
Placement Budget	5,900	34%	Over the last 6 months there has been a significant increase in the number of 12-15 year olds with complex needs coming to C&F Service's attention. Despite increased referrals to Early Help a proportion of these 12 -15 year olds have required high cost responses to address their needs, which include challenging behaviour, severe emotional distress and/or sexual exploitation. The cost of provision for this type of need is significant and range from £140,000 to £312,000 per annum per case. Whilst numbers are relatively low, 13 in the first quarter of 2015/16, the cost incurred has been c£2.5m and is a significant element within the current projected overspend.
Social Care Legal Costs	150	29%	The number of proceedings issued this financial year is projected to increase to 108 compared to 86 last year. In addition there are approximately 80-100 pre-proceedings cases which provide additional cost pressures.
Pupil Referral Unit Transport	95	64%	Current demand shows the distances travelled by taxis/minibuses have increased. Many children cannot share taxis or minibuses for safeguarding reasons. All taxis also require escorts which has a cost implication.
Targeted Early Help - Children Centres/ Youth Service / Community Safety / Youth Offending Service	-500	-4%	Underspend largely due to staff vacancies as a result of a recent service restructure and early delivery of 2016/17 savings.
Specialist Assessment & Response Localities	-315	-5%	The underspend is across the three locality areas and is largely due to turnover savings.
Safeguarding Assurance	-270	-6%	Largely due to staff vacancies and turnover of staff within the First Response Service.
Directorate / C&FS Management	-205	-13%	Integration of service manager posts to service areas has resulted in a revenue saving.
Education Psychology Service	-170	-15%	Underspend due to increased income generation from within the service.
Asylum Seekers	-105	-52%	The number of children eligible for support

			has decreased significantly in comparison to previous years.
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### **Adults & Communities**

At this stage the Department is forecasting a net underspend of £1.7m (1.3%). The main variances are:

	£000	% of Budget	
Residential Care	1,150	3%	<p>£0.3m additional costs on independent sector provision being required due to reduced admissions at in-house residential homes.</p> <p>£0.5m delay in savings relating to Shared Lives and Extra Care efficiency projects - lower than required recruitment of carers on Shared Lives saving and delay to opening of Blaby Extra Care scheme.</p> <p>£0.3m bad debt write-off. This follows a detailed review of unpaid debts and relates to a number of small value, no longer economically viable to pursue debts, and some higher value debts where all legal routes to obtain payment have been exhausted.</p> <p>£0.3m service user charges trending below forecast.</p> <p>Offset by £0.15m regarding a reclaim from another authority for prior year costs and by £0.1m lower growth than anticipated.</p>
Other Community Care	480	1%	<p>£0.6m Community Life Choices costs above budget, reflecting the position seen last year and the double running costs (£0.4m) of in-house services that are under review.</p> <p>£0.3m income from service user assessed charges is lower than anticipated, despite additional care costs (compared to 2014/15).</p> <p>£0.25m shortfall in Continuing Health Care income from the Learning Disabilities pooled budget, which is off-set by lower costs below.</p> <p>£0.15m bad debt write-off, following detailed review as referred to above.</p> <p>(£0.85m) net home care/cash payment growth lower than forecast and benefit of reviewing Independent Living Fund packages.</p>
Communities &	340	n/a	Delayed savings (£275k), primarily due to

Wellbeing Efficiencies			the delayed transfer of community libraries, town centre libraries reduced opening hours, closure of Snibston including associated infrastructure costs. Added to this is the judicial review costs of Snibston (£65k).
Other Adult Social Care	300	100%	Planned contributions for non-project related items from earmarked funds are being held until the position on demand led budgets is clearer and any additional investment for in-year savings/improvement projects have been agreed.
Community Equipment	130	9%	Demand continues to be above budget, reflecting the position seen last year.
Preventative Services	-1,880	-30%	Early achievement of 2016/17 savings target. £1m of contracts have been stopped from the start of the year with the remaining reductions delivered from October.
In-house Provider Services	-870	-9%	Efficiency project is currently delivering ahead of schedule.
Reablement	-440	-7%	Recurring difficulty in recruiting staff to these role, partly exacerbated by £0.17m of non-recurrent grant funding received at very short notice.
Communities & Wellbeing Efficiencies	-380	n/a	Short term measures and one-off savings identified to mitigate the impact of the delayed savings (see Communities & Wellbeing overspend above). These measures exceed the best case savings shortfall allowing some of the deferred book fund expenditure to be reinstated.
Management and Support	-220	-4%	Primarily staffing underspends that will be held in advance of reviews.
Carers Support	-200	-23%	The full increase in volumes of carers, following the Care Act changes and publicity, have not yet materialised. The final level of underspend will depend upon carer requirements in the rest of the year. A further proportion of the underspend has been held back pending clarity of any future Care Act funding reduction that would require transitional costs to be funded in the next financial year.
Supported Living	-150	-1%	Following changes to Ordinary Residence rules, following the introduction of the Care Act, responsibility for future provision of care has changed and agreements renegotiated with neighbouring authorities. The saving is partly offset by growth being above budget.

## Environment and Transportation

At present the Department is forecasting a net overspend of around £0.1m (0.2%).  
The main variances are:

	£000	% of Budget	
<b>Highways</b>			
Safety Maintenance	110	6%	Overspend on jetting due to higher waste disposal costs.
Structural Maintenance	100	2%	Overspends on: <ul style="list-style-type: none"> <li>• footway minor repairs (£180k) as a result of a significant number of defects occurring that require repair under the footways maintenance policy</li> <li>• replacing stolen gulley lids (£40k)</li> <li>• pot hole minor repairs (£25k)</li> <li>• public rights of way maintenance (£25k)</li> <li>• miscellaneous highways maintenance works (£25k)</li> </ul> These overspends are offset by a underspend on flood alleviation schemes (£200k) that were originally scheduled for 2015/16 but are now delayed until 2016/17 to enable them to be completed during the summer months when conditions are more favourable.
Road Safety	-90	-37%	A shortfall in staff resources has meant projects may not be developed and delivered.
<b>Transportation</b>			
Special Education Needs Transport	750	11%	Overspend due to increased client numbers coming through from the 2014/15 academic year. There has been no planned reduction in the year to date but there will be potential reductions in spend achieved from the reviews currently underway for the 2015/16 academic year, notwithstanding the underlying increased demand.
Social Care Transport	150	5%	Increased client numbers carried over from 2014/15.
Concessionary Travel & Joint Arrangements	-440	-9%	Underspend due to lower usage and a change in eligibility criteria.
Mainstream School Transport	-300	-6%	There is a drop in expenditure which is in relation to the new policy reducing eligibility, contract tendering, school reviews and school age ranges. There has also been an increase in the number of commercial services available which have been more cost effective to utilise and have

			therefore reduced the Council's overall expenditure.
Blue Badge Scheme	-60	-76%	Lower operating costs for the scheme.
<b><u>Environment</u></b>			
Landfill	1,270	20%	Overspend due to 10,000 tonnes coming out of Treatment contracts and into Landfill as a result of reduced Energy from Waste capacity. Correspondingly the Treatment Contracts forecast budget line is showing an underspend. However, the landfill overspend is greater than the Treatment Contracts underspend as Landfill rates are higher than Treatment Contract rates. There has also been an overall increase in Landfill tonnages due to waste growth.
Treatment Contracts	-570	-6%	Underspend due to 10,000 tonnes coming out of Treatment contracts and into Landfill as a result of reduced energy from waste capacity. This has contributed to an overspend on the Landfill budget line.
Composting Contracts	-200	-21%	Renegotiated contract rates and more efficient direction of Green Waste.
Recycling & Reuse Credits	-200	-5%	Lower than expected performance in recycling has led to a reduced amount of credits paid out.
Income	-100	10%	Additional income gained from trade waste.
Recycling & Household Waste Sites	-70	-2%	Contract rate decreases linked to pricing and changing destinations.
<b><u>Staffing &amp; Administration</u></b>			
Highways	160	6%	Overspend due to MTFs savings that will be now be achieved in 2016/17.
Management & Supervision	-150	-13%	Underspend due to staff vacancies.
Environment	-130	-8%	Underspend due to staff vacancies.
Transportation	-70	-2%	Underspend due to staff vacancies.

### **Chief Executives**

An underspend of around £0.5m (5.3%) is forecast. The main variances are:

	£000	% of Budget	
Coroners	50	6%	Despite incorporating growth of £0.1m in this year's budget to deal with cost pressures for Leicester City & South Leicestershire Coroners it continues to be a problem and there is an



			anticipated £50,000 overspend as a result.
Strategic, Partnership & Communities	-300	-7%	The majority of the underspend relates to staff vacancies which will remain unfilled in anticipation of a staff review both on Business Intelligence and on Policy, Economic & Community. There is also some additional income.
Trading Standards	-100	-7%	Underspend largely due to staff vacancies partially offset by using agency staff. In addition, there is extra external income.
Democratic Services	-70	-4%	Due to staff vacancies and a high number of staff being on the lower points of their grades following a staff review.
Registration	-50	-3%	Underspend due to increased income at a number of registration offices, most notably the County Hall base which is now within Anstey Frith House.
Planning, Historic & Natural Environment (HNET)	-50	-10%	A vacant post has been left unfilled in anticipation of making MTFS savings.

### **Corporate Resources**

An underspend of around £0.9m (2.7%) is forecast. The main variances are:

	£000	% of Budget	
Customer Services	100	5%	Staffing overspend due to overlap of CSC manager and agency cover and costs incurred to cover staff absence. Staff vacancies will be managed during the year to try and reduce the overspend.
Beaumanor Hall	80	6%	Beaumanor is forecast to achieve a smaller surplus than originally budgeted largely due to a loss of rental income.
Sports Facilities	60	n/a	Higher than expected business rates costs and reduced income prior to the handover of Melton King Edward VII sports hall to Melton BC.
Corporate Projects	-330	-33%	Contingency for the delivery of 2015/16 savings may no longer be required. The position will be reviewed as the year progresses.
“Soft” Facilities Management	-200	-28%	Increased income for cleaning and

			premises services expected to be in line with last year taking into account new contracts for services, and reduction in postage costs.
Learning & Development	-150	-6%	Temporary staffing vacancies and reduced departmental spend on L&D, due to reviews.
Accounting	-90	-4%	Underspend relates to staffing vacancies, plus additional unbudgeted income being received from Nottingham City Council for EMSS related work.
County Farms	-90	23%	Reduced maintenance due to increased spend last year, and increased rental income based on 2014/15 outturn.
Operational IT	-70	-1%	Underspends from staff vacancies and additional income for curriculum support, offset by smartphone replacement project costs.
Strategic ICT	-70	-3%	Temporary staffing vacancies.
Insurance	-70	-5%	Academy insurance scheme income is greater than expected. Competition in the market remains high.

## APPENDIX 3

### Capital Budget – Revised budget and forecast main variances

#### Identified Variances

The significant variances on schemes at period 6 are:

<b>Department</b>	<b>Reasons</b>	<b>£000</b>
C&FS – School Accommodation 2015/16	Slippage forecast to 2016/17 arising from delays with finalising academy specifications for a new primary school in Birstall £0.35m, project delays as a result of awaiting outcome of CIF (Condition Improvement Fund) grant bid support at Stafford Leys Primary School in Leicester Forest East £0.1m and deferral of the provision of places in Earl Shilton £0.8m based on production of the latest requirements of pupil places.	-1,236
C&FS – School Accommodation 2015/16	Inclusion of Section 106 developer funding £0.80m and internal contribution of £0.18m instead of using School Accommodation Grant.	-984
C&FS – School Accommodation 2016/17	In response to the forecast slippage it has been agreed by the Corporate Schools Group under delegated powers given to the Director of Children & Family Services and the Director of Resources by the Cabinet to accelerate two schemes for a value of £1.2m from 2016/17; Countesthorpe, Greenfield Primary School and Barrow-on-Soar, Hall Orchard Primary School.	1,200
C&FS – Targeted Early Help Hubs	Programme started in 2014/15 and forecast to complete early in current year resulting in acceleration on the funding from 2016/17 programme.	332
A&C – Hinckley Library/The Limes DC scheme	The original programmed scheme to accommodate the Limes Day Centre within the Hinckley Library is no longer required.	-327
A&C – Extracare Loughborough Scheme	Indicative timelines have slipped due to delays in the purchase of the land. Slippage to be carried forward to 2016/17.	-79
A&C – Blaby Library reconfiguration of space	Slippage of project and it is likely to be replaced by a scheme at Hinckley.	-50
A&C – Mobile Libraries replacement	2 vehicles in the process of being ordered; original plan was to replace one vehicle. The extra spend will be met by acceleration from 2016/17.	50
E&T – Zouch Bridge Replacement	Delays with the land purchase means that the work is likely to commence in Spring 2016, the revised completion date is March 2017 rather than December 2016.	-1,676

<b>Department</b>	<b>Reasons</b>	<b>£000</b>
E&T – M1 Junction 22	Slippage due to a delay in receiving technical approval from Highways England.	-1,315
E&T – Street Lighting Column Replacement	Slippage due to; staff resourcing as the focus is on the LED programme and alignment of Column replacement with the LED replacement programme, subject to Dept. for Transport agreement, which came through on 15 <sup>th</sup> September .	-500
E&T – M1 New Bridge	Acceleration of scheme based on revised profile of spend and works.	2,011
E&T – Hinckley Scheme Phase 3	Advance design work for Phase 3 which was scheduled for 2016/17 has been brought forward to enable works to begin in 2016/17.	80
E&T – Waste Management	Business Case to be evaluated to ensure that the optimal solution is found, should the project go ahead it is unlikely that the expenditure will take place in this financial year.	-161
Chief Executives – Loughborough University Science and Enterprise Park	Discussions with Loughborough University over a business investment opportunity are progressing. However, proposals are still to go through both organisations' governance processes.	-1,050
Chief Executives – Rural Economic Grants	The County Council was successful in securing EU funding (DEFRA – Leader Project) targeted at supporting economic growth in rural areas in Leicestershire. It is expected that this funding will not be required during 2015/16.	-55
Chief Executives – Rural Broadband Scheme	Work by British Telecom on Phase1 has continued to progress ahead of planned timetable. Spend originally expected to occur in 16/17 will take place by the end of March 2016.	545
Corporate Resources – ICT Resilience: Data Centre Reprovisioning	Following the initial procurement exercise the schedule of works has been revised in light of information from the contractor. Works are expected to start on site in the new calendar year and as such slippage is forecast into 2016/17.	-1,131
Corporate Resources – Industrial Properties	The slippage relates to the expected timescales to design, tender and procure the works: biomass boiler system at Riverside Court and façade replacement at Loughborough Tech. Centre. This is a standing budget funded from the Industrial Estate revenue income and exact timescales for spend will vary dependant on the types of works undertaken each year.	-200
Corporate Resources – Demolition of Vacant Buildings	Works delayed due to specification and planning delays together with the seasonal nature of restoration/landscaping works.	-200
Corporate Resources – PAMS (previously	Implementation has been delayed as the contractor has been unable to deliver the development work to	-65

Department	Reasons	£000
PMIS)	the agreed timescales. Phase 1 is now planned for January 2016.	
Corporate Programme – Corporate Asset Investment Fund	As part of the Fund a land purchase has been agreed for "Airfield Farm" to develop industrial and office space in Market Harborough resulting in acceleration on future year programmed allocations. The fund totals £16m over 2014 to 2019.	1,809
Corporate Programme – County Hall Master Plan	Expenditure on the County Hall Master Plan is expected to be ahead of schedule with the scheme forecast to complete by March 2016, resulting in acceleration of £1.3m from 2016/17. Works include £0.5m on providing an Out of Hours facility for County Hall and Virtual Desktop Infrastructure to enable mobile and flexible working.	1,342
Corporate Programme – Energy Strategy on Corporate Buildings	This is a three year programme of energy efficiency invest to save projects across the LCC estate. There are three types of project; energy performance contracts (majors), minor works energy projects and energy funding contributions to other schemes. The major works programme incurred delays due to the late implementation of the biomass boiler at County Hall (faults found on installation and it had to be returned to the manufacturer for repair). The effect of these delays has had an incremental impact on the overall programme; resulting in slippage of £0.5m to 2016/17. The 3 year programme is expected to be completed by the end of 2016/17 as originally planned. The revenue benefits of the programme towards the MTFs are not expected to be affected.	-335
Corporate Resources – Quorn Bridge	During removal the bridges stability decreased dramatically and parts of the bridge abutments fell into the river. The forecast reflects increased cost of repairing the bridge and reinstating the structure.	123

**Capital Programme 2015/16 – Changes in Funding**

<b>Department</b>	<b>Reasons</b>	<b>£000</b>
Outturn Adjustments	2014/15 Outturn adjustment: <ul style="list-style-type: none"> <li>• C&amp;FS - £2.612m</li> <li>• A&amp;C – £0.703m</li> <li>• E&amp;T Transportation - £5.312m</li> <li>• E&amp;T Waste Management - £0.357m</li> <li>• Chief Execs - £0.120m</li> <li>• Corporate Resources - £1.074m</li> <li>• Corporate Programme - £1.594m</li> </ul>	11,772
<b>Sub Total</b>		<b>11,772</b>
C&FS	School Accommodation – Section 106 developer funding and contribution from schools	483
C&FS	Adoption Home Extension – revenue contribution	31
A&C	Donington Le Heath Manor House Improvements – A&C earmarked fund and revenue contribution	62
E&T - Transportation	Traffic Signals Update – revenue contribution	60
E&T - Transportation	Leicester and Leicestershire Integrated Transport Model (LLITM) – earmarked funds	250
E&T - Transportation	Major Scheme Preparation/Feasibility – earmarked funds	150
E&T - Transportation	Ashby Canal – Section 106 developer funding	45
E&T - Transportation	Flood Alleviation maintenance – revenue contribution	500
Corporate Resources	Ibstock, Station Road (land), culvert and new access road - earmarked capital receipts	994
Corporate Resources	Transferred from Corporate Programme – relates to County Hall Master Plan	200
Corporate Resources	Quorn Bridge repairs – Capital receipt	67
Corporate Resources	Disposal costs – Capital receipt	100
Corporate Programme	Transferred to Corporate Resources – relates to County Hall Master Plan	-200
Corporate Programme	County Hall Master Plan 1 – revenue contribution	45
<b>Sub Total</b>		<b>2,787</b>
<b>Additional Funding</b>	<b>Agreed by Cabinet 11-Sep-2015</b>	
E&T - Transportation	Replace aged/leased vehicles	500
E&T – Waste Mgt.	RHWS Improvements	100
E&T - Transportation	Highways Maintenance	2,000
E&T - Transportation	Advanced design/modelling	2,000
Corporate Resources	Property - Replace aged/leased vehicles	100
Corporate Resources	County Farms and Industrial Properties	53
Corporate Resources	Country Parks – maintenance/improvement	400
Corporate Programme	Energy efficiency, Score +	300
<b>Sub Total</b>		<b>5,453</b>
<b>Overall Total</b>		<b>20,012</b>



**SCRUTINY COMMISSION – 4 NOVEMBER 2015**

**REVIEW OF EARMARKED FUNDS AND BALANCES**

**REPORT OF THE DIRECTOR OF CORPORATE RESOURCES**

**Purpose of Report**

1. To report the findings of a detailed review of revenue earmarked funds.

**Policy Framework and Previous Decisions**

2. The earmarked funds strategy was approved by the County Council at its budget meeting on 18 February 2015 as part of the Medium Term Financial Strategy (MTFS). Earmarked funds are reviewed three times during the financial year.

**Review of Earmarked Funds**

3. The review covered all revenue earmarked funds excluding schools. The main elements were to:
  - a) review if earmarked funds were required and the appropriate level;
  - b) review the spending and contribution profiles for the main earmarked funds over the next four years;
  - c) review the appropriate level of the General County Fund;
  - d) reallocate balances as required.

**Earmarked Funds**

4. Earmarked funds are held in accordance with the County Council's Earmarked Funds Policy that is approved annually by County Council as part of the MTFS – a copy is attached as Appendix A.
5. The level of earmarked funds excluding schools and partnerships was £90.2m as at 31 March 2015, see Appendix B for details. The opening balances have been reviewed and updated as part of the review of earmarked funds. These amendments are shown as transfers in Appendix B. The main amendments are:
  - Transformation Fund (£3m) – transfer to the Capital Financing earmarked fund to fund additional expenditure items approved by Cabinet on 11<sup>th</sup> September 2015;
  - The Housing Related Support earmarked fund (£0.5m) has been consolidated into the Adults and Communities Developments fund, as the

purpose of the funds was identical: supporting departmental transformation;

- A transfer has been made from the Adults and Communities Developments fund to the Adults and Communities Renewal of Equipment and Vehicles earmarked fund (£0.2m);
  - Transfers of elements of earmarked funds which are no longer required for their original purposes to the Transformation Fund (£0.1m).
6. Following the review of earmarked funds, the updated list of earmarked funds and forecast of balances for the next four years are detailed in Appendix C.
7. The following paragraphs consider each earmarked fund in detail and show a projection of the balances at 31 March 2016.

### **Renewals of Equipment and Vehicles (£4.3m)**

8. Departments hold earmarked funds to provide funds for the future replacement of vehicles (the County Council has a fleet of around 500 vehicles) and equipment such as ICT.
9. The earmarked funds are;
- Children and Family Services (£1.9m). This earmarked fund has been established to respond to the need to develop, improve and where necessary replace departmental management information systems such as Capita One and Frameworki;
  - Adults and Communities (£0.7m). This provides funding for the future replacement of equipment, vehicles and departmental IT systems;
  - Environment and Transport (£0.2m). This is mainly used to fund replacement of vehicles and equipment, both those used for Highway Maintenance activity and also those used within the Passenger Fleet team for School and Social Care Transport;
  - Corporate Resources (£1.5m). This will be used to fund renewal of the County Council's ICT infrastructure. The balance on the fund will be maintained to manage higher than average demand in individual years and to save for future planned upgrades.

### **Trading Accounts (£0.5m)**

10. Surpluses from the Industrial Properties trading account are transferred to an earmarked fund to provide funds for future capital investment, large maintenance items and to smooth volatility in revenue performance.



### **Insurance (£17.7m)**

11. Earmarked funds of £10.2m are held to meet the estimated cost of the insurance policy excesses that the Council is liable for. This is for historic incidents that have not yet been reported to the Council and an amount to allow excesses of large property claims to be met. This enables the Council to meet excesses regardless of the timing of claims, which can be erratic. The levels are assessed periodically through an Actuarial Review. The next review is planned for the end of 2015/16. Excesses include:
  - Property damage (including fire) £500,000;
  - Public / Employers' liability £250,000;
  - Professional indemnity £25,000;
  - Fidelity guarantee £100,000;
  - Money – completely self-insured.
  
12. Schools schemes and risk management (£0.4m). The County Council arranges contents insurance for schools with an excess of £50,000. To protect schools from large losses the County Council retains a proportion of the saved premiums to pay claims that are above the level of excess that a school would normally expect (£200) up to the insured level (£50,000). A balance is built up in low claim years to allow the cost of high claim years to be met. Similarly a claims contingency is held for the Human Resources advisory scheme, operated by the County Council, for schools, in case of employment disputes resulting in a tribunal. The fund is also used to fund risk management initiatives to try and reduce claims in future years.
  
13. The uninsured loss fund of £7.0m is required mainly to meet potential liabilities arising from Municipal Mutual Insurance Ltd (MMI) that is subject to a run-off of claims following liquidation in 1992. The fund also covers the period before the Council purchased insurance cover and the period (1993-97) that the Council was insured with Independent Insurance, who have entered provisional liquidation.
  
14. The MMI run-off is regulated by a scheme of arrangement (the scheme) entered into by the creditors of MMI. The scheme provides for a clawback against the creditors in the event that the assets of MMI at the time of liquidation prove insufficient to meet its liabilities. MMI's 2014/15 accounts show a significantly worsening position due to the estimated costs of future mesothelioma and abuse claims, calculated by MMI's actuaries. It is expected that a future levy payment will be required in 2016/17, and c£2m is reflected in the earmarked fund forecast.

### **Committed Balances (£1.3m)**

15. Two earmarked funds are used as a mechanism to carry forward resources where expenditure has been committed to projects but the expenditure has not been incurred in that financial year. The two earmarked funds are the Central Maintenance Fund (CMF), £1.1m and the earmarked fund for community grants, £0.3m. Due to the on-going nature of maintenance it is expected that there will always be a balance on the CMF fund.

### **Children and Family Services**

16. Supporting Leicestershire Families (£1.9m). This earmarked fund is used to fund the Supporting Leicestershire's Families service which is providing early help and intervention services for vulnerable families across Leicestershire. The majority of this fund is expected to be utilised in 2016/17.
17. Children and Family Services Developments (£2.7m). This general earmarked fund provides funding for a number of projects within the department such as improving management information, information access and retention and responding to changing requirements as a result of OfSTED and legislation. The financial position of the department in 2014/15 allowed costs to be met from the budget rather than the fund.
18. Youth Offending Service (£0.2m). This earmarked fund is used to fund the Youth Offending Service.
19. Special Educational Needs Disability (SEND) (£0.8m). Local authorities have received grant for the implementation of a national redesign of services for children with special educational needs and disabilities. Changes in national expectations and recruitment difficulties have resulted in some elements of implementation being re profiled.

### **Adults and Communities**

20. Adults and Communities Developments (£4.6m). This earmarked fund is held to fund a number of investments in maintaining social care service levels and assisting the department in achieving its transformation. Due to the expected reduction in Care Act funding, following the reduction in scope, underspends arising in the current financial year relating to this activity are being held in the fund to manage a smooth transition. Hence the fund is expected to have a net increase in the current financial year.
21. Health and Social Care (£5.0m). Approximately half of this earmarked fund is used to fund projects that improve health and social care outcomes in Leicestershire, including the prevention of admission and readmission into hospital as well as the prevention of other costly health and social care provision. Funding for these projects has been aligned with the strategic objectives of the Better Care Fund (BCF) and has been agreed between the County Council and partners from the NHS. The other half of the fund has been set aside as a contingency for underperformance against future pay for performance BCF metrics.
22. Museums and Arts (£0.0m). This earmarked fund represented the income received from the sale of artefacts. The fund is being used to maintain the quality of existing collections and is expected to be fully utilised in 2015/16.
23. Adults and Communities Extra Care (£0.9m). This earmarked fund was created from elements of the New Homes Bonus grant that were ring fenced by the Cabinet for Extra Care schemes. There is a scheme currently in development in

Charnwood (£0.3m). Further opportunities will be investigated following the refresh of the Extra Care strategy.

### **Public Health**

24. Public Health (£1.6m). The NHS grant for Public Health was above the level of historic expenditure, recognising the historic underfunding in Leicestershire. This will be used for preventative and other Public Health beneficial activities.

### **Environment and Transport**

25. Commuted sums (£2.2m). This is used to cover future revenue costs arising from developer schemes, where the specifications are over and above standard developments (e.g. block paving, bollards or trees adjacent to the highway). These liabilities can arise many years after the funding is received and as such a link is not always made between work undertaken at these developments and the contributions received, and therefore the balance on this earmarked fund has built up over time. The intention is to utilise the resources over the next few years (£0.4m per year) to help mitigate against the impact of the overall reductions in resources available for highways maintenance, although it is likely that additional amounts (£0.2m per year) will be received which will increase the fund balance over this period.
26. Civil Parking Enforcement (£0.1m). This is a small earmarked fund that is held on behalf of the District and County Partnership which is responsible for the enforcement of on and off street parking in Leicestershire. It will be utilised for equipment and technology replacement in future years.
27. Waste Infrastructure (£0.3m). This is available to fund general improvements to the Recycling and Household Waste Sites (RHWS), the remaining costs of the Waste Transfer Station (WTS) at Whetstone and a new transfer station at Coalville. By the end of the 2016/17 financial year it is expected that this fund will have been utilised.
28. Section 38 Income (£0.5m). This is income received from Housing Developers paid in advance and used to cover County Council costs for design checking, on site inspection of works during construction and administration of the process to ensure newly built estate roads are to the required standard for adoption. The signing of the final certificate to agree new roads are at the required level should be carried out within a 4-year period. Section 38 income is paid into the earmarked fund and brought into the accounts to offset the costs in the year in which they are incurred. The majority of the current fund balance will be utilised over the next four years. However, it should be noted that additional funding may become due and be received over this period which would increase the balance on this fund.
29. Section 106 Income (£0.5m). Funding received to meet developer-related revenue expenditure (such as subsidised bus services and travel packs linked to new developments) and where there are no specific conditions for the funding to be repaid. The majority of the current fund balance will be utilised over the next four

years. However, it should be noted that additional funding may become due and be received over this period which would increase the balance on this fund.

30. Leicester and Leicestershire Integrated Transport Model (LLITM) (£0.2m). This is money identified to update the LLITM to ensure it accurately predicts the impact of future prospective developments and supports potential bids for future major schemes. This is expected to be spent by 2017.
31. Capital Major Projects - advanced design (£0.4m). This earmarked fund will be used to fund feasibility studies and advance design works to enable bids to be made for major capital schemes to improve the transport infrastructure supporting expected growth in Leicestershire.
32. Other earmarked funds (£0.1m). These funds will be used for partnership transport projects.

### **Chief Executive's**

33. Community Planning (£0.2m). This funding is held to support a range of various initiatives with partners and communities within Leicestershire including support for affordable rural housing for older people.
34. Economic Development (£0.9m). This earmarked fund was established to provide funding for economic development proposals. These proposals are contained in the Enabling Growth Plan that is currently in draft form.
35. Leicestershire Local Enterprise Fund (£1m). This earmarked fund was established to provide funding for a business loan scheme which will provide a gradual return of funding to the County Council, unless it is reinvested. At 31 March 2015 a total of £0.3m in loans had been made.
36. Legal (£0.3m). This earmarked fund is held to provide funding for temporary solicitor posts to cope with the current and transformational demand.
37. Signposting and Community Support Service (£0.8m). This fund was established to mitigate the impact of the withdrawal of Government funding for the Leicestershire Welfare Provision. The funding was provided from underspends in the scheme's two years of operation (2013/14 and 2014/15) and will be used to temporarily support signposting and community support for vulnerable people, with the aim of minimising the on-going costs of this service over the next four years.
38. Other (£0.6m). This earmarked fund holds funding towards a variety of projects and contingencies. The projects are phased over several years and include; efficiency projects, planning control work, and funding received from (and ring fenced to) crime fighting and prevention.

## Corporate Resources

39. Corporate Resources Other (£0.7m). The main purpose of this earmarked fund is to provide funding to efficiency projects and one off initiatives in Corporate Resources. Examples of activities funded are investigating asset management changes/improvements and ICT development work. Funding is also held on behalf of the Multi Agency Travellers Unit.

## Corporate

40. Transformation (£19.5m). The fund is used to invest in transformation projects to achieve efficiency savings and also to fund severance costs. To achieve the level of savings required within the MTFS the Council will need to change significantly and this will require major investment including in some of the core 'building blocks' of transformation such as improvements to data quality and improvements to digital services enabling more self-service.
41. Capital Financing (£18.0m). This fund is used to hold MTFS revenue contributions to fund capital expenditure in future years including the Street Lighting LED replacement project and investment decisions agreed by Cabinet on 11<sup>th</sup> September 2015 from in year resources. The significant increase in 2015/16 relates to planned contributions from the 2015/16 MTFS for profiled spend on LED in 2016/17 and later years.
42. East Midlands Shared Services – IT developments (£0.5m). Funding set aside for EMSS investment in Oracle development projects to support the shared service.
43. Environmental / Energy Efficiency programme (£0.1m). This funding has been set aside to support various invest to save projects to reduce carbon emissions and generate future revenue savings. The programme has been superseded with the Energy Strategy programme included in the Capital Programme.
44. Elections (£0.6m). The average cost of County Council elections is estimated to be £0.8m every four years, unless there are other elections on the same date that can share the cost. The earmarked fund is built between elections using budgeted annual contributions of £0.2m.
45. Broadband (£2.4m). This fund was established to allow the development of super-fast broadband within Leicestershire. A contract has been entered into with BT and they have commenced work. There is a significant time lag in spending County Council funds due to grant conditions that required Central Government and European funding to be spent within a set period. The majority of the funding is expected to be spent in 2017/18.
46. Loughborough Science Park (£1.1m). This fund was established from a prior year provision for an investment in partnership with Loughborough University and Charnwood Borough Council towards the next phase of development on the Science and Enterprise Park campus.

47. Other (£0.3m). This amount relates to the balance of funding set aside to fund the development of a school place planning strategy to support significantly increased capital funding in 2015-18.
48. Business Rates Retention (£1.0m). This fund has been established following the introduction of the Business Rates Retention system in 2013, as a contingency to fund potential shortfalls in business rates income impacting in later years, especially the risk of large appeals and fluctuations in Business Rates income.
49. Local Authority Mortgage Scheme (LAMS) (£-8.4m). The County Council has invested £8.4m in the Local Authority Mortgage Scheme to make it easier for first time house buyers to obtain mortgages and thus stimulate the local housing market and benefit the wider local economy. Investment of £3m in 2013/14 and £5.4m 2012/13 has been advanced to Lloyds bank, temporarily funded from the overall balance of earmarked funds. The funding will be returned to the County Council, 5 years after the date it was advanced, in 2017/18 and 2018/19.
50. Pooled Property Fund(s) (-£15m). Cabinet on 11 September 2015 approved the investment of £15m of the Council's earmarked funds into a pooled property fund. The Pension Fund property advisor has submitted a recommendation to invest in two UK pooled property funds (£7.5m in each) with Lothbury Property Trust and Hermes Property Unit Trust and this has been agreed by the Lead Member for Corporate Resources. This will raise interest by a significant amount, in effect replacing £15m at 0.5% with £15m at around 4%. There will only be a part-year impact in the current year and the level of impact will depend on the timing of the investment(s), which will depend to a certain extent on market conditions. The investment is funded from the overall balance of earmarked funds and can be realised in the future when required.

#### **Other**

51. Potential Health transfers (£5m) – Estimate of year end transfers to the County Council.

#### **Schools / Partnerships Earmarked Funds**

52. Dedicated Schools Grant (£6.9m). DSG is ring fenced and can only be applied to meet expenditure properly included in the Schools Budget, as defined in the School and Early Years Finance (England) Regulations. Any underspend on services funded by DSG must be carried forward and ring fenced to those services. This fund is earmarked to fund any deficit budget that reverts back to the local authority as maintained schools move into sponsored academy arrangements and also to meet the revenue costs of commissioning places in new schools. A forecast overspend of £3m in the current year is forecast in the reduction as at 31<sup>st</sup> March 2016.
53. Leicestershire and Rutland Sport (£0.8m). The earmarked fund's main purpose is to hold partner contributions until expenditure on the agreed activities has been incurred. A significant part of the services funding from external agencies is

uncertain in nature, so the earmarked fund also allows management of funding variations and a redundancy provision.

54. Centre of Excellence (£0.7m). The Centre of Excellence for Information Sharing is a local-national collaboration, funded by multiple government departments. It is hosted by Leicestershire County Council, and has a team of people from across national and local organisations. The organisation's vision is for users of public services to achieve better outcomes as a direct result of improved information sharing between agencies and local places. The earmarked fund is held on behalf of the Centre of Excellence to fund ongoing work.
55. Leicestershire Social Care Development Group (LSCDG) (£0.4m). This earmarked fund is held on behalf of the LSCDG, a partnership with Leicester City Council. Funds are held on behalf of the partnership to meet the Director of Adults and Communities responsibility for workforce development in social care regardless of the sector. The monies are solely for the independent and voluntary sector across the sub region.
56. East Midlands Shared Services – Other (£0.3m). This relates to the County Council's share of the current year forecast underspend, to be used for future EMSS developments.

### **Other Issues**

57. There are real advantages to the County Council of having a strong balance sheet in a period of economic crisis. These are obvious such as a greater ability to weather financial shocks, but there are also advantages such as the ability to use this strength to implement policy decisions such as LAMS and the Leicestershire Local Enterprise Fund that offset, to an extent, the impact of the failure of banks to provide finance.
58. The overall level of earmarked funds includes significant balances for capital financing (£18m at the end of 2015/16) which are required to fund the County Council's Capital Strategy. These resources have been set aside from revenue underspends, surplus earmarked funds and the current MTFS, to avoid the need to undertake external borrowing.
59. Members requested details regarding earmarked funds where the latest projections varied significantly from the previous forecast. Appendix D gives details of earmarked funds where forecasts as at 31<sup>st</sup> March 2016 have varied by more than £0.5m.
60. Appendix E reproduces an article from The Telegraph on 31 August 2015 which refers to the possibility that the Chancellor may take action in the Spending Review to "force local authorities to lessen the impact of budget cuts by tapping into their huge reserve pots". The results of the Spending Review will be announced on 25th November 2015 and any specific requirements regarding the use of earmarked funds will be taken into account in the preparation of the 2016 MTFS, which will be reported to the Cabinet and the County Council in February 2016.

### **Schools Earmarked Balances**

61. Schools and colleges are allowed to retain their accumulated balances in relation to delegated budgets. Schools balances have reduced from £8.1m in 2013/14 to £7.6m at the end of 2014/15, mainly as a result of academy conversions.

### **General County Fund**

62. The General County Fund is held to meet any unexpected risks. The balance on the General County Fund has increased to £14.8m as at 31<sup>st</sup> March 2015 from £10.8m as at 31<sup>st</sup> March 2014 and is expected to remain at £14.8m in 2015/16.
63. The policy on the General County Fund has been to maintain balances in line with the inherent risks faced by the County Council. The required level of earmarked funds is kept under review during the year and a more formal assessment is undertaken at the time the Medium Term Financial Strategy (MTFS) is rolled forward. The policy will be to continue to maintain a level of the General County Fund consistent with the overall financial environment. The level of the General County Fund is currently within the target range of 4 to 5% of net expenditure (excluding schools), the balance of £14.8m represents 4.2% of net expenditure for 2015/16.

### **Risk Assessment**

64. As part of the earmarked funds review, the risk assessment was revisited given the rapidly changing financial environment. This shows that the risks faced by the County Council are increasing. The key risks are set out below:
- Public finances are deteriorating with the prospect of further cuts in funding for the next four years which will increase the County Council's savings requirement;
  - The localisation of business rates and changes to Council Tax Benefit mean that the income of the Council will be less predictable and potentially subject to in year shocks;
  - Environment including extreme weather;
  - Service pressures resulting in overspend. Although overall the Council is underspending, pressures within Adults and Children's social care are increasing. National funding changes could exacerbate these pressures;
  - Potential cuts to grant funding for Public Health;
  - Funding the introduction of the National Living Wage;
  - Increase in demand for SEN transport.



65. The current MTFS includes a contingency in the budget of £8m over the four years of the MTFS. This needs to be considered alongside the General County Fund in relation to the risks faced by the County Council.

### **External Audit Review**

66. PricewaterhouseCoopers (PWC), our external auditors, have reviewed the 2015/16 – 2018/19 MTFS. This was reported to the Corporate Governance Committee on 12<sup>th</sup> June 2015. This review covered a number of aspects including earmarked funds and contingencies. The review showed that the uncommitted General County Fund balance of £14.8m, which represents 4.2% of net spend, is relatively low when compared to other authorities, but the gap is smaller than in previous years. The policies in the benchmark group ranged between 2% and around 7% of net spend. PWC stated “Your policy is within our expectation for the level of general fund reserves which we would independently expect you to hold”.
67. However, PWC commented that earmarked funds of £84.7m (excluding schools) at 24% of net spend were higher than the average data collected of around 16%. PWC noted that “These are being held to manage the transition period, fund specific cost pressures and to deliver the transformation programme which you have set out in your MTFS. The costs associated with this transformation, such as severance costs, are being met through the use of these reserves rather than recurrent spending.”
68. PWC concluded by stating, “You have set aside a prudent level of earmarked reserves and contingency to manage future cost pressures. Whilst these are larger than in other similar Local Authorities, we believe that you have a prudent approach in setting your MTFS. These reserves will be required to effectively deliver the transformation you require.”

### **Management and Monitoring of Earmarked Funds**

69. At present information on earmarked funds is provided in the following reports;
- February – MTFS reports to the Cabinet and County Council. These reports contain the earmarked funds policy, forecast levels of funds and statement on the robustness of estimates, risks and funds.
  - June/July – Outturn report to the Cabinet and Scrutiny Commission. These reports contain the key movements and the actual year end balances.
  - September – Statement of Accounts report to Constitution Committee. This report sets out the earmarked funds in detail and includes a commentary and a statement showing all the transfers to and from the earmarked funds.
  - Autumn review of earmarked funds to Cabinet and Scrutiny Commission.

## **Conclusions**

70. The review of earmarked funds has identified that:

- £0.1m of earmarked funds are no longer required and these have been released to the Transformation fund (see Appendix B);
- At the time of agreeing the MTFs further information will be available that could mean further earmarked funds will be released;
- That the level of earmarked funds (excluding Dedicated Schools Grant and partnerships) is expected to fall to £74.8m by the end of 2015/16.

## **Recommendations**

71. Members are asked to note the findings of this review.

## **Background Papers**

None.

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

None.

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## **List of Appendices**

Appendix A – Earmarked Funds Policy

Appendix B – Earmarked Funds Restated

Appendix C – Earmarked Funds Projection

Appendix D – Earmarked Funds where balance projected at 31/3/16 has varied by more than £0.5m

Appendix E – Article from The Telegraph 31 August 2015

**Equality and Human Rights Implications**

There are no direct implications arising from this report.

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**EARMARKED FUNDS POLICY 2015/16****General County Fund**

The level of the General County Fund will be consistent with the overall financial environment and the key financial risks faced by the County Council. This risk assessment will be carried out at least annually and will take account of circumstances at the time and the corporate risk register. Any funds in excess of the assessed amount will in the first instance be used to fund one off/time limited expenditure (capital and revenue including invest to save and pump priming initiatives) and secondly to support recurring revenue expenditure over the medium term, subject to the key consideration of sustainability.

The benefit of holding non earmarked funds is that the County Council can manage unforeseen financial events without the need to make immediate offsetting savings, with the potential real impact this could have on users of County Council services.

Based on an assessment of risk, the target level for the county fund is within the range of 4% to 5% of net expenditure (excluding schools). The forecast balance of £14.8m (4.2%) is also within that range. In reviewing the level of the County Fund and contributions to and from the fund, the Cabinet will take the advice of the Director of Corporate Resources.

**Earmarked Funds**

Earmarked funds are held for six main reasons. The key factors that determine their level are set out below:-

- Insurance fund – to meet the estimate of future claims to enable the Council to meet the excesses not covered by insurance.
- Renewals – to enable services to plan and finance an effective programme of vehicle and equipment replacement. These earmarked funds are a mechanism to smooth expenditure on asset replacement so that a sensible replacement programme can be achieved without the need to vary budgets. It should be noted that those Departments which do not currently hold renewals funds will be encouraged to do so.
- Carry forward of underspend - some services commit expenditure to projects, but cannot spend the budget in year. Earmarked funds are used as a mechanism to carry forward these resources. An example of this type of fund is the Central Maintenance Fund.
- Trading accounts - in some instances surpluses are retained by the traded service for future investment.
- Other earmarked funds will be set up from time to time to meet known or predicted liabilities or to meet capital or project based revenue expenditure.
- To support transformational change and internal restructuring.

The main benefits of holding these earmarked funds are set out above.

The Chief Financial Officer has the authority to take decisions relating to the insurance and other earmarked funds. In terms of other earmarked funds they can only be established and managed with the agreement of the Chief Financial Officer.

The renewals earmarked funds and those relating to the carry forward of underspends will be managed and operated by departments. However, they can only be established with the approval of the Chief Financial Officer or the Executive, as set out in the Constitution.

### **Schools Earmarked Funds**

Schools balances are held for two main reasons. Firstly, as a contingency against financial risks and secondly, to save to meet planned commitments in future years.

### **Monitoring Policy**

The level of earmarked funds and balances are monitored regularly throughout the year. Reports will be taken to members as part of the MTFs, an update in the autumn and at year end.

**EARMARKED FUNDS - RESTATED BALANCES**

	Actual Balance 31/03/15 £000	Transfers from Funds 01/04/15 £000	Transfers to Funds 01/04/15 £000	Not Required 01/04/15 £000	Revised Balance 01/04/15 £000
<b>Renewal of Equipment and Vehicles</b>					
Children & Family Services	0	0	0	0	0
Adults & Communities	540	0	180	0	720
Environment & Transport	470	0	0	0	470
Corporate Resources	1,390	0	0	0	1,390
<b>Trading Accounts</b>					
Industrial Properties	460	0	0	0	460
<b>Insurance</b>					
General	9,800	0	0	0	9,800
Schools schemes and risk management	400	0	0	0	400
Uninsured loss fund	7,020	0	0	0	7,020
<b>Committed Balances</b>					
Central Maintenance Fund	1,060	0	0	0	1,060
Community Grants	490	0	0	0	490
<b>Other</b>					
Children & Family Services					
Supporting Leicestershire Families	3,400	0	0	0	3,400
C&FS Developments	2,950	0	20	0	2,970
Youth Offending Service	350	0	0	0	350
Special Educational Needs Disability (SEND)	1,000	0	0	0	1,000
Adults & Communities					
Adults & Communities Developments	3,730	-260	540	0	4,010
Health & Social Care Outcomes	6,130	0	0	0	6,130
Housing Related Support	540	-540	0	0	0
Museums & Arts	50	0	0	0	50
A&C Extra Care	920	0	0	0	920
Public Health	1,820	0	0	0	1,820
Environment & Transport					
Commuted Sums	2,420	0	0	0	2,420
Civil Parking Enforcement	100	0	0	0	100
Waste Infrastructure	1,260	0	0	0	1,260
Section 38 Income	490	0	0	0	490
Section 106	450	0	0	0	450
Leicester & Leicestershire Integrated Transport Model (LLITM)	740	0	0	0	740
Capital Major Projects - advanced design	600	0	0	0	600
Other	120	0	0	0	120
Chief Executive					
Community Planning	270	0	20	0	290
Economic Development-General	1,260	0	0	0	1,260
Economic Develop.-Leics Local Enterprise Fund	1,000	0	0	0	1,000
Legal	460	0	0	0	460
Signposting and Community Support Service	1,050	0	0	0	1,050
Other	660	0	0	0	670
Corporate Resources					
Corporate Resources Other	650	0	0	0	650
Corporate:					
Transformation Fund	27,130	-3,000	60	110	24,300
Capital Financing (phasing of capital expenditure)	6,500	0	3,000	0	9,500
East Midlands Shared Services - IT development	590	0	0	0	590
Environmental/Energy Efficiency Programme	570	0	0	0	570
Academies Programme	20	-20	0	0	0
Elections	420	0	0	0	420
Broadband	6,420	0	0	0	6,410
Loughborough Science Park	1,200	0	0	0	1,200
Other	560	0	0	-110	450
Business Rates Retention	1,110	0	0	0	1,110
Local Authority Mortgage Scheme (LAMS)*	-8,400	0	0	0	-8,400
Pooled Property Fund investment (Cabinet 11/9/15)**	0	0	0	0	0
<b>TOTAL</b>	<b>90,170</b>	<b>-3,820</b>	<b>3,820</b>	<b>0</b>	<b>90,170</b>
Potential Health Transfers	0	0	0	0	0
<b>TOTAL</b>	<b>90,170</b>	<b>-3,820</b>	<b>3,820</b>	<b>0</b>	<b>90,170</b>
Schools and Partnerships					
Dedicated Schools Grant	10,830	0	0	0	10,830
Leicestershire Safeguarding Children Board	470	0	0	0	470
Leicestershire & Rutland Sport	920	0	0	0	920
Centre of Excellence	480	0	0	0	480
Leics Social Care Development Group	460	0	0	0	460
East Midlands Shared Services - other	0	0	0	0	460
	103,330	-3,820	3,820	0	103,790

\* LAMS temporarily advanced from the overall balance of earmarked funds pending repayments in 2017/18 and 2018/19

\*\* Pooled Property Fund investments - funded from the overall balance of earmarked funds

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**EARMARKED FUNDS BALANCES 1/4/15 AND PROJECTION TO 2019/20**

	Revised Balance 01/04/15 £000	Forecast Balance 31/03/16 £000	Forecast Balance 31/03/17 £000	Forecast Balance 31/03/18 £000	Forecast Balance 31/03/19 £000	Forecast Balance 31/03/20 £000
<b>Renewal of Equipment and Vehicles</b>						
Children & Family Services	0	1,860	1,360	820	0	0
Adults & Communities	720	710	680	680	680	680
Environment & Transport	470	240	240	0	0	0
Corporate Resources	1,390	1,470	1,420	1,380	530	360
<b>Trading Accounts</b>						
Industrial Properties	460	460	460	460	460	460
<b>Insurance</b>						
General	9,800	10,220	10,440	10,650	10,880	11,110
Schools schemes and risk management	400	430	380	340	320	310
Uninsured loss fund	7,020	7,020	4,920	4,820	4,720	4,220
<b>Committed Balances</b>						
Central Maintenance Fund	1,060	1,060	1,060	1,060	1,060	1,060
Community Grants	490	280	200	130	50	0
<b>Other</b>						
Children & Family Services						
Supporting Leicestershire Families	3,400	1,920	300	0	0	0
C&FS Developments	2,970	2,700	1,790	730	0	0
Youth Offending Service	350	230	120	0	0	0
Special Educational Needs Disability (SEND)	1,000	750	290	0	0	0
Adults & Communities						
Adults & Communities Developments	4,010	4,600	2,600	1,600	1,100	600
Health & Social Care Outcomes	6,130	5,000	3,000	2,000	1,000	0
Museums & Arts	50	0	0	0	0	0
A&C Extra Care	920	870	610	610	360	110
Public Health	1,820	1,620	1,420	1,220	1,020	820
Environment & Transport						
Commuted Sums	2,420	2,220	2,020	1,820	1,620	1,420
Civil Parking Enforcement	100	100	50	0	0	0
Waste Infrastructure	1,260	340	0	0	0	0
Section 38 Income	490	490	490	490	490	490
Section 106	450	450	450	450	450	450
Leicester & Leicestershire Integrated Transport Model (LLITM)	740	240	0	0	0	0
Capital Major Projects - advanced design	600	400	200	0	0	0
Other	120	60	50	40	30	20
Chief Executive						
Community Planning	290	170	90	70	20	20
Economic Development-General	1,260	920	760	740	640	500
Economic Develop.-Leics Local Enterprise Fund	1,000	1,000	1,000	1,000	1,000	1,000
Legal	460	290	190	130	60	0
Signposting and Community Support Service	1,050	750	450	150	0	0
Other	660	640	570	410	250	150
Corporate Resources						
Corporate Resources Other	650	650	520	400	270	200
Corporate:						
Transformation Fund	24,300	19,500	14,000	8,500	6,000	4,500
Capital Financing (phasing of capital expenditure)	9,500	18,000	10,000	6,600	3,300	0
East Midlands Shared Services - IT development	590	460	310	160	0	0
Environmental/Energy Efficiency Programme	570	140	0	0	0	0
Elections	420	600	800	200	400	600
Broadband	6,420	2,410	2,270	440	300	160
Loughborough Science Park	1,200	1,050	1,050	530	0	0
Other	450	280	110	0	0	0
Business Rates Retention	1,110	1,000	1,000	1,000	1,000	1,000
Local Authority Mortgage Scheme (LAMS)*	-8,400	-8,400	-8,400	-3,000	0	0
Pooled Property Fund investment (Cabinet 11/9/15)**	0	-15,000	-15,000	-15,000	-15,000	-15,000
<b>TOTAL</b>	<b>90,170</b>	<b>70,200</b>	<b>44,270</b>	<b>31,630</b>	<b>23,010</b>	<b>15,240</b>
Potential Health Transfers	0	5,000	5,000	5,000	5,000	5,000
<b>TOTAL</b>	<b>90,170</b>	<b>75,200</b>	<b>49,270</b>	<b>36,630</b>	<b>28,010</b>	<b>20,240</b>
Schools and Partnerships						
Dedicated Schools Grant	10,830	6,870	5,540	3,810	0	0
Leicestershire Safeguarding Children Board	470	0	0	0	0	0
Leicestershire & Rutland Sport	920	780	670	520	490	490
Centre of Excellence	480	730	730	730	730	730
Leics Social Care Development Group	460	380	290	290	290	290
East Midlands Shared Services - other	0	310	0	0	0	0
	<u>103,330</u>	<u>84,270</u>	<u>56,500</u>	<u>41,980</u>	<u>29,520</u>	<u>21,750</u>

\* LAMS temporarily advanced from the overall balance of earmarked funds pending repayments in 2017/18 and 2018/19

\*\* Pooled Property Fund investments - funded from the overall balance of earmarked funds

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**VARIANCES BETWEEN 2015 MTFS FORECAST AT 31/3/16 AND LATEST FORECAST**

	<b>MTFS 2015 Forecast 31/03/2016 £000</b>	<b>Forecast Balance 31/03/16 £000</b>	<b>Variance  £000</b>	<b>Explanation</b>
<b>Renewal of Equipment and Vehicles</b>				
Children & Family Services	0	1,860	1,860	The department requested and was granted a carry forward of 2014/15 underspend to support ICT developments, including the development and re-procurement of systems, that was not anticipated at the time of the 2015/16 MTFS.
Corporate Resources	730	1,470	740	Some commitments met from revenue underspend 2014/15. Funding required for investment in replacement Wide Area Network (WAN) in 2018/19. The balance on the fund will be maintained to manage higher than average demand in individual years and to save for future planned upgrades.
<b>Insurance</b>				
General	8,270	10,220	1,950	£1 million reduction in reserved claims. Closure of historic claims has reduced the amount held in the Insurance Provision which has allowed the balance to be moved to the earmarked fund. Liability and property claims arising are below annual funding level (£1m), despite insurer expectations of increasing risk (allowing a £0.5m earmarked fund build for 14/15 and 15/16).
Uninsured loss fund	4,800	7,020	2,220	Additional funding from the 2014/15 net underspend to reflect worsening position of MMI and increasing risk of claims for the periods where there is no insurance cover.
<b>Committed Balances</b>				
Central Maintenance Fund	1,660	1,060	-600	Higher than expected spend for LCC and schools 2014/15. The earmarked fund balance reflects outstanding orders.
<b>Other</b>				
Children & Family Services Supporting Leicestershire Families	1,200	1,920	720	The local authority was an early entrant into Phase 2 of the national troubled families programme. This provided additional grant income and removed the need to withdraw earmarked funds.

## VARIANCES BETWEEN 2015 MTFS FORECAST AT 31/3/16 AND LATEST FORECAST

	MTFS 2015 Forecast 31/03/2016 £000	Forecast Balance 31/03/16 £000	Variance £000	Explanation
C&FS Developments	900	2,700	1,800	The department had planned a number of contributions from earmarked funds during 2014/15 which were unnecessary as a result of the overall departmental budget position.
Special Educational Needs Disability (SEND)	0	750	750	Local authorities have received grant for the implementation of national redesign of services for children with special educational needs and disabilities. Changes in national expectations and recruitment difficulties have resulted in some elements of implementation being reprofiled to later points.
Adults & Communities				
Adults & Communities Developments	0	4,600	4,600	Due to expected reduction in Care Act funding following the reduction in scope, underspends arising in the current financial year relating to this activity are being held to manage a smooth transition (£1.4m). Closure of the Housing Related Support fund and a transfer from the Health earmarked fund (£2.0m) One-off grant received at short notice being held for project activity next year (£0.5m). Delays to project expenditure that is expected to be incurred next year (£0.3m) Additional funding for initiatives in 14/15 and 15/16 that could be met through the base budget (£0.4m).
Health & Social Care Outcomes	860	5,000	4,140	The fund was established from Clinical Commissioning Group (CCG) monies to allow for a £3.2m contingency in the event of the BCF programme missing it's admissions target and funding of one-off additional BCF initiatives. Due to the shortfall against the 2015/16 target following negotiation with CCG's a £3.2m contingency is being held for 2016/17. The balance of the variance is forecast underspends and additional income for the current BCF programme to be used in future years.
Corporate:				
Capital Financing (phasing of capital expenditure)	17,400	18,000	600	Reflects the latest estimate of when capital expenditure will be required and new investment agreed by Cabinet on 11th September 2015.

## VARIANCES BETWEEN 2015 MTFS FORECAST AT 31/3/16 AND LATEST FORECAST

	<b>MTFS 2015 Forecast 31/03/2016 £000</b>	<b>Forecast Balance 31/03/16 £000</b>	<b>Variance £000</b>	<b>Explanation</b>
Loughborough Science Park	0	1,050	1,050	This fund was established for investment in partnership with Loughborough University and Charnwood Borough Council towards the next phase of development on the Science and Enterprise Park campus. The scheme has been delayed while options to confirm requirements are being considered. This investment is now likely to be incurred over the next two years.
Business Rates Retention	0	1,000	1,000	This fund has been established following the introduction of the Business Rates Retention system in 2013, as a contingency to fund potential shortfalls in business rates income impacting in later years, especially the risk of large appeals and fluctuations in Business Rates income.
Pooled Property Fund investment (Cabinet 11/9/15)	0	-15,000	-15,000	Decision taken by Cabinet on 11th September 2015, after the MTFS 2015 forecast was made.
Schools and Partnerships Dedicated Schools Grant	5,600	6,870	1,270	This is a ringfenced grant and all over / underspends must be carried forward. The earmarked fund increased as a result of an underspend created on the budget for the Free Entitlement to Early Education arising from a reduction in the number of children accessing the entitlement.
Centre of Excellence	0	730	730	Set up as new earmarked fund at the end of 2014/15, to carry forward unspent government grant funding (from DCLG and DWP) to 2015/16.

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**APPENDIX E****Councils to be told to tap into reserves in George Osborne's Spending Review**

**The Chancellor wants to force local authorities to lessen the impact of budget cuts by tapping into their huge reserve pots.**

(The Telegraph, 31 Aug 2015)

George Osborne will attempt to force councils to spend their reserves as part of his Spending Review in a bid to dramatically cut the cost of local government.

Treasury officials want to force local authorities to lessen the impact of budget cuts by tapping into their huge reserve pots.

One measure being looked at by Government officials is to create a new law which impose a cap on councils' reserves.

The Treasury last night played down the possibility of this happening in the coming months but conceded that councils' "large reserves" must be looked at when the Government is looking at making significant savings.

Figures released by the Government have revealed that council reserves stood at £21.4 billion at the end of the last financial year - up from £14.3 billion in 2010-11.

All Whitehall departments that do not have a ring-fenced budget will at the end of this week submit their initial submissions as part of Mr Osborne's Spending Review.

The Chancellor has instructed departments to prepare for budget cuts of up to 40 per cent as part of the spending review.

The Department for Communities and Local Government is facing some of the biggest cuts to its budget, it is understood.

Treasury officials believe that the scale of the cuts will only be manageable if councils are forced to use their reserve pots.

A source close to Mr Osborne said: "The Chancellor and the Prime Minister have often referred to the large reserves councils have when asked questions about savings in local government. But there are no plans to seize them or restrict them."

The Government will initially demand that councils use the money in their reserves in the wake of the Spending Review.

The Treasury has not rules out the possibility of new legislation forcing local authorities to use their reserves in future, it is understood.

It came as the Local Government Association (LGA) said that that key local services will be put under "enormous pressure" if Mr Osborne slashes funding further.

The LGA, which represents more than 370 town halls in England and Wales, urged the Chancellor to bear the issues in mind when finalising the Spending Review.

Chairman Gary Porter said: "Our new analysis shows the significant spending pressures facing councils over the next few years even before the possibility of further funding reductions.

"Leaving councils to pick up the bill for new national policies while being handed further spending reductions cannot be an option."

A Treasury spokesman said: "While councils have worked hard over the past five years to deliver a better deal for local taxpayers, like the rest of the public sector they will have to continue playing their part in fixing the public finances, to ensure we deliver economic security for working people across the country."