



*Meeting:* **Scrutiny Commission**

*Date/Time:* **Wednesday, 19 July 2017 at 10.30 am**

*Location:* **County Hall, Glenfield**

*Contact:* **Ms R Palmer (Tel: 0116 305 6098)**

*Email:* **rosemary.palmer@leics.gov.uk**

### **Membership**

Mr. S. J. Galton CC (Chairman)

Mr. D. C. Bill MBE CC    Mrs. R. Page CC  
Mr. S. L. Bray CC    Mr. A. E. Pearson CC  
Mr. L. Breckon JP CC    Mr. T. J. Richardson CC  
Dr. T. Eynon CC    Mr. D. Slater CC  
Mr. D. Jennings CC    Mrs. A. Wright CC

**Please note: this meeting will be filmed for live or subsequent broadcast via the Council's web site at <http://www.leicestershire.gov.uk>  
– 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 17 June 2017.	(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. 2016/17 Provisional Revenue and Capital Outturn                      Director of Corporate Resources                      (Pages 11 - 52)
9. Strategic Plan and Single Outcomes Framework.                      Chief Executive                      (Pages 53 - 82)
10. Corporate Complaints and Compliments Annual Report 2016-17.                      Director of Corporate Resources                      (Pages 83 - 108)

11. Date of next meeting.

The next meeting of the Commission is scheduled to take place on 13 September at 10.30am.

12. 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, 7 June 2017.

PRESENT

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

Mr. D. C. Bill MBE CC  
Mr. S. L. Bray CC  
Mr. L. Breckon JP CC  
Dr. T. Eynon CC

Mr. D. Jennings CC  
Mrs. R. Page CC  
Mr. A. E. Pearson CC  
Mr. T. J. Richardson CC

1. Appointment of Chairman.

RESOLVED:

That it be noted that Mr. S. J. Galton CC has been appointed Chairman of the Scrutiny Commission for the period ending with the Annual Meeting of the County Council in 2018 in accordance with Article 6.05 of the Constitution.

2. Election of Vice Chairman.

RESOLVED:

That Mrs. R. Page CC be elected Deputy Chairman of the Scrutiny Commission for the period ending with the date of the Annual Meeting of the County Council in 2018.

3. Minutes.

The minutes of the meeting held on 8 March 2017 were taken as read, confirmed and signed.

4. Question Time.

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

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

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

6. Urgent Items.

There were no urgent items for consideration.

7. 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.

No declarations were made.

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

There were no declarations of the party whip.

9. Presentation of Petitions under Standing Order 36.

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

10. Change to the Order of Business.

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

11. Housing Growth and Water.

The Commission considered a report of the Chief Executive which set out questions that had been submitted to Severn Trent Water prior to the meeting and a statement provided by Severn Trent Water in response to the questions. The Commission also noted that a letter from a local resident had been received raising concerns regarding infrastructure provision for new developments and the condition of the existing sewerage system. A copy of the report marked 'Agenda Item 11' and the letter is filed with these minutes.

The Commission received four presentations, three from Severn Trent Water and one from the Assistant Chief Executive of the County Council. The presentations from Severn Trent Water outlined its approach to supply and demand management, its role in supporting housing growth and development and its role in managing flood risk, particularly with regard to sewer flooding. The presentation from the Assistant Chief Executive provided an update on the development of the Strategic Growth Plan. A copy of the slides forming the presentations is filed with these minutes.

The Chairman welcomed Doug Clarke, Paul Hurcombe and Tim Smith from Severn Trent Water to the meeting for this item.

Arising from discussion, the following points were raised:-

- (i) A Price Review would be undertaken in 2019 by Ofwat, the economic regulator of the water sector in England and Wales. This would set the price, investment and service package that customers would receive between April 2020 and March 2025. It would determine how much was available to invest, for example in improvements to the existing system and set out penalties and rewards linked to the achievement of customer priorities and associated targets. Severn Trent Water was currently identifying the options and priorities it would issue for public consultation and then submit to Ofwat and was undertaking engagement with customers to inform this.

- (ii) The level of infrastructure charges that Severn Trent Water could levy for new connections to the water supply and sewerage systems were agreed annually with Ofwat. The charge was intended to cover connection to the water supply and provide a contribution towards the costs of developing or enhancing local networks to serve new customers.
- (iii) An infrastructure discount schemes was in place which gave developers a 100 percent discount on infrastructure charges if they built new homes to the Optional Technical Standard in Part G of the Building Regulations of 110 litres of water per person per day, rather than the standard of 125 litres. This had been well received by developers as the standard could be reached by choosing devices with the correct flow rate at no additional cost. The scheme had been launched in April so it was too soon to measure its effect; however, other water companies were now considering trialling similar schemes.
- (iv) Planning Authorities were able to impose the Optional Technical Standard and it was suggested that wording to this effect should be included in the Strategic Growth Plan. Severn Trent Water could also reinforce this point in its response to the consultation on the Strategic Growth Plan. It was felt that there would be value in an informal discussion with infrastructure providers as part of the development of the Strategic Growth Plan.
- (v) On new developments, surface water should ideally be managed sustainably and any connection to the sewerage system should be a last resort. Capacity issues within the existing sewerage network could, in part, be attributed to historic design practices whereby surface water and foul flows were combined into a single system but the connection of additional impermeable areas could have an adverse effect on capacity. To offset this risk greater effort was being made to disconnect existing surface water connections through use of sustainable solutions to alleviate capacity issues. This was done through improvement schemes, which were prioritised based on their expected impact on surface water flooding.
- (vi) In terms of the supply of water, Severn Trent Water was working hard to manage customer demand and reduce leakage in its system. It was not currently looking for new sources of water. Long term supply options would be assessed as part of the 25 year Water Resources Management Plan.
- (vii) One of the reasons for additional surface water runoff contributing to potential for flooding was an increase in impermeable areas, for example from front gardens being paved over. Legislation required homeowners to seek planning permission if they were paving an area of over five square metres and it was felt that more needed to be done to raise awareness of this and the related flooding risks.
- (viii) Severn Trent Water was seeking to work in partnership with other organisations involved in flood risk management, including Local Authorities. There were already some examples of good practice in this area, including jointly funded flood alleviation schemes and the sharing of day-to-day operational information. Efforts were also being made to deal with customers queries at the first point of contact, for example by talking to the relevant partner before providing a response to the customer.
- (ix) A high proportion of sewer flooding incidents were wholly or partly caused by blockages in the sewer system. Across the whole Severn Trent Water region, on

average only around ten percent of flooding incidents were entirely caused by the capacity of the sewer being exceeded by flow during times of rainfall (hydraulic flooding). Collapses of sewer pipes were a small issue; as part of the Sewage Management Plan CCTV cameras were used to assess risks related to the condition of the sewer.

- (x) Severn Trent Water was undertaking modelling to inform the Water Resources Management Plan. This included a range of climate change scenarios and the impact that they would have on the water supply. It was also an important consideration for the response to waste water and extreme weather conditions.
- (xi) Severn Trent Water provided free devices which customers could fit to improve water efficiency. It also undertook Home Water Efficiency Checks. 12,000 homes had been visited the previous year and up to 20,000 would be visited this year. A ten percent reduction in water use had been seen in these homes. Severn Trent Water was looking to expand this programme and it was suggested that it could be publicised through Leicestershire Matters, which was sent to all households in the County. This proposal was welcomed by Severn Trent Water. In terms of harvesting rain water and grey water reuse, it was confirmed that sustainable and cost effective technology for households was not yet available. Rainwater systems had been demonstrated to be viable for new build commercial properties.
- (xii) Severn Trent Water pointed out that developers had a statutory right to be connected to a public sewer and so when responding to planning applications it will often state that it has 'no objection'. This response reflects the fact that Severn Trent Water cannot object to a connection due to the statutory right to connect. However, it was accepted that it would be useful to explain why this was the case in their responses. Severn Trent Water sought to have early conversations with developers so any concerns could be resolved by the time a planning application was submitted. Issues could also be addressed through the Local Plan process.
- (xiii) Housing growth forecasts used by Severn Trent Water were initially provided by local authorities and projected forward to enable long term planning to take place. Severn Trent Water also took account of developments which had not yet been built but where planning permission had been granted.
- (xiv) Sustainable Urban Drainage Systems (SUDS) were not currently adopted by Severn Trent Water as legislation only covered the adoption of sewers. However, work was being undertaken with Water UK to identify ways of allowing water companies to adopt SUDS in the future.

That Chairman thanked Severn Trent Water for attending the meeting and for the detailed presentation and responses to questions that had been provided.

#### RESOLVED:

- (a) That the officers from Severn Trent Water be thanked for their attendance at the meeting and for the detailed presentation that they provided;
- (b) That officers be requested to include a statement in the Strategic Growth Plan to the effect that Local Planning Authorities should enforce the Optional Technical Standard in respect of water for new developments;



- (c) That officers be requested to include an article on the Home Water Efficiency Checks and/or free water efficiency products offered by Severn Trent Water in a future edition of Leicestershire Matters;
- (d) That Severn Trent Water be requested to provide a written response to the letter from Mr Brian Conway.

12. Draft Overview and Scrutiny Annual Report 2016/17.

The Commission considered the Draft Overview and Scrutiny Annual Report 2016/17 which the Council was required to publish. A copy of the report marked "Agenda Item 10" is filed with these minutes.

RESOLVED:

That the Overview and Scrutiny Annual Report 2016/17 be approved for submission to the full County Council at its meeting on 28 June.

13. Date of next meeting.

It was NOTED that the next meeting of the Commission would be held on 19 July at 2.00pm.

10.00 am - 12.40 pm  
07 June 2017

CHAIRMAN

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## SCRUTINY COMMISSION - 19<sup>TH</sup> JULY 2017

### REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

#### 2016/17 PROVISIONAL REVENUE AND CAPITAL OUTTURN

##### Purpose of Report

1. This report sets out the provisional revenue and capital outturn for 2016/17.

##### Policy Framework and Previous Decisions

2. The County Council approved the 2016/17 to 2019/20 Medium Term Financial Strategy (MTFS) in February 2016. The key aim of the Strategy is to ensure that the Authority has appropriate resources in place to fund key service demands over the next few years. The Strategy includes the establishment of earmarked funds and the allocation of ongoing revenue budget and capital resources for key priorities.
3. The Standard Financial Instructions stipulate that the Executive (the Cabinet) may authorise the carry forward of under or over spending. These may also be agreed by the Chief Financial Officer subject to guidelines agreed by the Cabinet in June 2006. The carry forward requests which could not be approved under delegated powers were approved by Cabinet on 23 June 2017 (see Appendix B).

##### Overall Position

##### Revenue Outturn

4. A summary of the revenue outturn for 2016/17, excluding schools grant, is set out below:

	£000
Updated budget	360,490
Less provisional outturn	-348,139
Add additional income	56
Less additional commitments	-11,057
Net underspending	1,350
Carry forwards	
Approved	-700
Cabinet approval required	-650
Net position	0

5. Overall there has been a net underspending of £1.4m after additional commitments, which is offset by carry forwards.
6. The Authority has made significant progress in achieving the savings in the MTFs, but there is still a long way to go. The underspend to a large extent reflects the early achievement of efficiency savings. Price and service demand pressures have been largely contained in the year. Inflation and demographic pressures mean that this position will not be maintained beyond the short term. In the MTFs for the period 2017/18 to 2020/21 the savings requirement totals £66m, of which £23m still needs to be identified.
7. The uncommitted General Fund balance as at 31<sup>st</sup> March 2017 stands at £14.8m, which represents 4.1% of the 2017/18 revenue budget, in line with the County Council's policy. The Fund will be reviewed again during 2017 taking into account the risks faced by the County Council.
8. Appendix A shows the detailed provisional outturn position for 2016/17. This compares the actual expenditure incurred (provisional outturn) with the updated budget. Column 2 is the original budget updated for 2015/16 carry forwards and transfers between services. Column 3 shows actual expenditure, which in the case of schools reflects the level of delegated schools budgets. This appendix also shows the effect of the provisional outturn on the level of the uncommitted General Fund balance.
9. The Cabinet on 23 June 2017 agreed that £11.1m of the net underspend be used to fund additional commitments, as shown on Appendix A.
10. The Chief Financial Officer can approve carry forwards where the money is to be spent for the purpose for which it was originally allocated in the budget. Where the carry forward is to be used for a different purpose (i.e. effectively comprising virement) the Chief Financial Officer can approve items up to £100,000 with the following exceptions:
  - where a carry forward would result in an overspending position on the department's budget;
  - where a carry forward would represent a change in existing policy; and
  - where ongoing costs might result.
11. On this basis specific approval by the Cabinet was required for the items described in Appendix B and these items were approved by the Cabinet on 23 June 2017. The full list of carry forwards is available on request.
12. Appendix C gives details of significant variances on departmental budgets for 2016/17.

### Capital Outturn

13. A summary of the capital outturn for 2016/17, excluding schools devolved formula capital, is set out below:

	£000
Updated budget	102,979
Less provisional outturn	98,143
Net Underspending (slippage)	4,836
Percentage spend to updated budget	95%

14. Overall there has been a net underspending of £4.8m compared with the updated budget which relates mainly to the Corporate Programme where two large schemes were delayed to 2017/18. More detail is given later in this report. The net underspending will be carried forward to 2017/18 to fund schemes that were not completed in 2016/17.
15. Details of the key achievements in delivery of the 2016/17 capital programme are also included in the report.

## **DETAILS - REVENUE**

### **Children and Family Services**

16. The Department has a net overspend of £2.4m on the Dedicated Schools Grant (DSG) and a net underspend of £1.2m on the Local Authority (LA) budget, which reduces to £1.1m (1.8%) after carry forwards.
17. The overspend on DSG mainly relates to the High Needs Block as a result of continuing pressure on the Special Educational Needs (SEN) placement budgets due to increased demand at special schools and an increase in the number of pupils diagnosed with Autism Spectrum Disorder (ASD), resulting in an overspend of £2.0m. Other significant variances include overspends on Specialist Services to Vulnerable Groups (£0.4m) and set-up costs for alternative support at Oakfield School (£0.2m) to reduce the reliance on placements in independent schools. This is partially offset by an underspend on 0-5 Learning due to recruitment delays and increased grant (£0.4m). The net position has been funded from the DSG earmarked fund at year end.
18. A programme of work has been established through the Transformation Programme to reduce all High Needs expenditure overseen by a Project Board. Work streams include the commissioning of placements and the remodelling of Specialist Teaching Services. This programme of work must deliver sustainable future savings as the current level of expenditure on High Needs cannot be contained within the Government grant.
19. A number of actions are in place to reduce costs. This includes expansion of local provision for pupils with ASD and increased support for primary schools to enable the retention of primary age pupils within mainstream schools to reduce the need for more costly specialist provision - through additional support to increase and develop school capacity and delivered by Oakfield school. Further actions include a review of placements and the point changes in provision could be enacted, a revised approach to commissioning decisions and the point at which specialist placements are accessed. Early indications show that savings will be realised from these actions,

however, for 2016/17 the financial impact is limited. Although the overspend can be met from the DSG earmarked fund, it is a major concern. To balance the budget over the medium term the pace and scale of actions will need to be maintained.

20. The net underspend of £1.2m on the LA Budget includes underspends on Children Placements (£1.6m), Targeted Early Help (£0.4m), Education Learning and Skills budget (£0.4m) and Educational Psychology (£0.2m). These underspends are offset by overspends due to agency costs related to the interim departmental management (£0.5m), increased numbers of care cases funded from the social care legal budget (£0.4m) and increased demand on the unaccompanied asylum seeking children budget (£0.4m).
21. The £1.4m Placement underspend is after the allocation of growth of £7.9m. Although the increase in expenditure on high cost placements has reduced the overall number of looked after children continues to rise at a significant rate, of c8% per annum. This is putting the budget under increasing pressure.

### **Adults and Communities**

22. The Department has a net underspend of £10.9m (7.9%). The main variances relate to:
  - Home Care £5.9m underspend - due to predicted service user growth not being required (£1.8m) and a reduction in the number of service users, changes in price and size of packages (£4.1m). There has also been a reduction in self-funding service users which is offset by a corresponding loss of chargeable income.
  - Direct Payment £2.1m underspend - due to clawback of unspent cash payment balances (£1.0m), increase in grant funding (£0.3m) and predicted growth in numbers of service users not materialising (£1.4m). This is offset by an increase in the average package price (£0.5m) and an increase in one-off payments (£0.1m).
  - Residential and Nursing Care £1.1m net underspend – additional health contributions (£2.9m), increased client income (£0.7m) and a reduction in the bad debt provision (£0.1m), offset by additional expenditure on social care provision due to an increase in payments for additional needs (£1.1m), backdated arrears to previous years (£0.6m) and an increase in short stay and new care packages (£1.0m). The overall number of service users remains static at around 2,400 though there have been some significant new care packages.
  - Other variations result in a net underspend of £1.8m. These include underspends arising from increased income from continuing health care (£1.7m), vacancy management to achieve 2017/18 savings (£1.3m) and an additional contribution from the Better Care Fund (£0.7m) to fund inflationary costs on residential and homecare services. These are offset by increased Supported Living costs (£0.4m) arising from an increase in the number of hours being provided, increased Court of Protection costs (£0.15m), loss of Department of Health Deprivation of Liberty Safeguards (DOLS) Grant (£0.2m) and by not charging some of the additional staffing costs of the departmental to earmarked funds (£0.9m).

23. As in previous years, demographic growth, increasing needs / level of activity and prices are the main drivers of expenditure within adult social care and changes are difficult to predict. For example, the introduction of new homecare contracts during 2016/17 has changed activity levels in both homecare and direct payments. The 2017/18 budgets will be reviewed to reflect any on-going changes arising from 2016/17.
24. Following the approval of the 2017-21 MTFS the government announced in the Spring Budget (March 2017), additional social care grant to support local authorities with Adult Social Care responsibilities. A total of £19.8m was awarded to the County Council over three years 2017/18 to 2019/20. The funding is to be added to the improved Better Care Fund and decisions on its use taken with the local Clinical Commissioning Groups (CCGs). The government also committed to setting out the government's proposals for future social care funding in a green paper later this year. The department is working on proposals with the CCGs to utilise the additional funding.

### **Public Health**

25. The Department has a net underspend of £0.5m before carry forward requests, resulting mainly from the early achievement of savings targets and planned service delivery changes.
26. As a result of the 2015 comprehensive spending review, which cut non-NHS Public Health funding by an average of 3.9% in real terms per annum, significant savings have had to be achieved in the MTFS. Although the 2016/17 savings have been achieved, there are risks associated with the reduction in preventive spend; examples of this include a change in the approach to chlamydia screening and the stop smoking service which now relies more heavily on online support.

### **Environment and Transport**

27. There is a net underspend of £1.8m which reduces to £1.6m (2.2%) after carry forward requests of £0.2m.
28. Overall, transport services are more or less spent to budget. There is an overspend on SEN transport of £0.5m, due to a steady increase in the number of pupils coming through the system over and above the additional growth already built into the 2016/17 budget. In addition, the risk assessment process has identified individuals with more complex needs, leading to an overall increase in the average daily cost per user of 7% which has contributed to the overspend. There is also an overspend of £0.2m on Social Care transport due to increased demand. There are savings of £0.2m on Public Bus Services due to savings made through tendering of the Park & Ride contract and other contract cost reductions, and an underspend of £0.4m due to lower usage of Mainstream School Transport.
29. Environment and Waste budgets are underspent by £0.7m, mostly through more cost effective waste treatment and lower waste tonnages. Reduced volumes of waste are being sent to the Mechanical Biological Treatment (MBT) plant due to restrictions on

inputs, leading to a £1.3m overspend on the landfill budget, which is offset by a £1.3m underspend on the treatment contracts budget.

30. There is a net underspend of £1.2m on Highways maintenance budgets, mainly from lower energy costs due to acceleration of the LED installation programme. Part of this underspend also relates to a decision to delay some white lining and studs work on the A6 to ensure it coincides with some planned bridgeworks, to avoid duplication of traffic management costs. A carry forward of £0.2m is requested to undertake this work in 2017/18.

### **Chief Executive's**

31. The Department has underspent by £0.4m which reduces to £0.3m (3.6%) after carry forward requests. The underspend is mainly due to staff vacancies and increased income, partly offset by an overspend of £0.2m on the Coroners Service, relating to increasing running costs and investigations linked to the rising number of Deprivation of Liberty cases.

### **Corporate Resources**

32. The Department has underspent by £1.1m (3.0%).
33. The position includes underspends mainly due to staff vacancies held ahead of impending staff reviews and early restructures: ICT £0.6m, Strategic Finance & Assurance £0.3m, People Resources £0.3m and Commissioning Support Unit £0.1m. The position is offset by investment of £0.2m in new infrastructure for commercial activities to take the commercial agenda to generate future benefits.

### **Contingencies**

34. A contingency of £8.0m was originally made against delays in the achievement of savings. No major problems were identified resulting in the contingency being released during 2016/17 to provide funding for initiatives that reduce future budget pressures.
35. The 2016/17 budget included a £17.2m provision for inflation. This was increased by a £0.9m carry forward from a balance on the 2015/16 inflation contingency to £18.1m. Allocations of £10.9m have been made to departments to cover the Adult Social Care Fee Review, the April 2016 pay award, a major change to National Insurance, an increase in pension contribution rates, transport inflation and a number of minor issues. The balance of £7.2m has not been required and is shown as an underspend.

### **Central Items**

36. Bank and other interest was £0.4m (20%) higher than the original budget. The reduction in bank base rates during 2016 had the impact of reducing the amount of future interest that can be earned on revenue balances. However the loan portfolio has a reasonable exposure to the tail-end of longer terms loans that were placed before rates fell and this has provided some protection. Longer term rates remain



above base rates, and the portfolio is focused on adding value by taking advantage of this wherever possible.

37. Interest income has also benefitted from the consistency of income payments received on the investments in pooled property funds (£15m in 2015/16 and a further £5m in December 2016/January 2017) – see further details in paragraph 47. During 2016/17 interest of £0.6m was received and at year end the portfolio had increased in value by £0.1m after taking account of £0.2m transaction fees for the recent £5m investment.
38. The Financing of Capital budget was underspent by £0.6m, due to the County Council's strategy to take opportunities to utilise one-off revenue balances and earmarked funds to continue to reduce debt.
39. The Financial Arrangements budget was underspent by £0.8m, mainly relating to dividend income from the Eastern Shires Purchasing Organisation (ESPO) now being accrued to 2016/17 rather than being recognised when the cash is received.
40. There is a net underspend of £0.9m on prior year adjustments. This relates to a detailed review of prior year open purchase orders that are no longer required (£1m), car leasing self-insurance and provisions no longer required (£0.5m), release of various small unidentified receipts (£0.2m), offset by the potential non recovery of aged credit notes not yet taken (£0.8m).
41. On the 11 October 2016, the Cabinet approved the use of £15.6m of the forecast underspend at the time (period 5) to fund investments in projects that reduce liabilities and ongoing costs, generate or increases income and offsets areas of high demand and pressure. The approved areas of investment are:
  - Vehicle replacement £1m – which will help to reduce costly maintenance on aging vehicles of approximately £50,000 per annum while also ensuring they are fit for purpose.
  - Highways maintenance £5m – including road safety and flood alleviation (allocated as part of the new capital programme 2017-21)
  - Asset Investment Fund £5m – to achieve a level of return of 5%
  - Transformation / Invest to Save £3.6m – the programme will need funding for some time
  - Energy Schemes £1m – to generate a level of return of 4%. The lower return represents the different focus of this programme.
42. As part of the 2017-21 MTFs a further £6.1m, arising from forecast additional 2016/17 underspends identified between period 5 (August 2016) and period 8 (November 2016), was added to the fund the overall capital programme 2017-21.
43. On 10<sup>th</sup> March 2017 the Cabinet agreed investment of £0.5m for a speed awareness pilot.
44. The Cabinet on 11 October 2016 also agreed an investment of up to £10m into Pooled Property Investment Funds (in addition to the £15m approved by Cabinet in September 2015) against the overall level of forecast earmarked fund balances (£85.3m as at 31 March 2016, excluding Dedicated Schools Grant). The investment

will generate higher financial returns than the funding held as cash balances. The investment can be realised when the funding is needed.

45. Following the uncertainty surrounding the UK property market after the vote to leave the European Union, a decision was made to split the additional investment into two lots of £5m – there was a risk that the market might fall a meaningful degree, so a phased investment was deemed appropriate. After a short period of well-reported turbulence within the commercial property market (mainly the result of retail investors trying to get their money out of pooled property funds), prices have stabilised and the initial £5m was invested in February. Given the relative stability of the commercial property market and the lack of any expectation that capital values will rise sharply in the near future, it is likely that the balance of £5m will be invested if there are signs of market weakness and forced selling at any point in the Brexit negotiation process.
46. There has been coverage recently in the financial press regarding Local Authorities investing in commercial property. Whilst this is nothing new, for example the County Council has owned farms and industrial properties for several decades, some authorities have entered into risky practices reminiscent of the banks prior to the financial crisis. For example:
  - A small borough council in the south of England borrowed £380m over 50 years to purchase an office park. Prior to the transaction the borough council had assets of only £90m. The lease to the occupier is only for 15 years.
  - Investing in assets that are not easily sold but funding the transaction using short term borrowing, that is currently cheap.
  - Using a high proportion of the organisations liquidity to delaying borrowing.
47. The County Council's approach to commercial property has been relatively conservative. The majority of investments have been funded using specifically allocated resources, meaning that the worst case impact upon the County Council is the loss of the revenue stream. This just places the revenue budget in the position as if the investment had never been made. The County Council has not entered into any new borrowing to fund the investments made and this position is not expected to change for future investments.
48. It is worth noting that the greater returns offered by property investment are to compensate investors for the greater risk being taken compared to short term cash deposits. The County Council is managing this risk through a variety of ways, for example; building a balanced portfolio of assets; taking a long term view of investments; using expert advisors to support decisions. The asset investment fund strategy is currently being updated and will be available for consideration in the summer.

## **Income**

49. Additional income of £0.1m has been received regarding government section 31 grants relating to compensation for the loss of business rates income arising from a number of government policy decisions, including a further extension of the temporary increase in Small Business Rate Relief and the 2% cap on business rates in 2014/15 and 2015/16.

### **Additional Commitments**

50. The Cabinet on 23 June 2017 approved the use of £11.1m of the net underspend to fund the following additional commitments:
- Capital Programme Future Developments £8.5m – additional funding will be required to fund a number of major schemes shown as future developments in the 2017-21 capital programme – schemes that are not yet in the main capital programme. Further information is provided in the next section.
  - Transformation £2.0m – additional funding to fund the programme for the period of the new MTFS, to 2021.
  - Waste Strategy Implementation £0.5m - to fund future capital works at the Recycling and Household Waste sites and also to provide a buffer to manage the impact of the expected fluctuations in the price that can be secured for the various types of recycled materials.

### **2017/18 Revenue Budget amendments**

51. As a result of the 2016/17 provisional outturn a review has been undertaken of the most significant variations that are expected to continue into 2017/18. A number of areas have been identified where the resources allocated can be reduced. These are:
- Inflation, -£5m. The 2017/18 inflation contingency includes £5m for National Living Wage/ Fee Review increases in the Adults and Communities (A&C) department budget. Given the significant underspending on the A&C budget in 2016/17, the contingency for £5m should not be required by A&C.
  - MTFS contingency -£4m. In view of the good level of certainty over the achievement of savings it is expected that this contingency will not be required and can be released.
  - Business rates income, -£1.1m. The 2017/18 budget was compiled in January 2017, prior to receipt of formal returns made by the district councils to the government. The returns showed that additional “local share” income of around £1.1m is due to the County Council in 2017/18 compared with the budget included in the MTFS.
52. The Cabinet on 23 June 2017 approved that the resources above totaling £10.1m be added to the capital programme 2017-21 to provide additional needed funding for future capital developments to achieve ongoing revenue savings and support necessary service investment.
53. There is a long list of capital projects that were not sufficiently developed to be allocated funding in the 2017-21 MTFS. The 2017-21 MTFS already includes £16.7m in available funding towards these future developments. Combined with the proposed £8.5m allocation from the 2016/17 revenue budget, £10.1m from 2017/18 resources identified above and £1.1m existing fund for Loughborough University Science Park, the overall funding available for future capital developments totals £36.4m. Even at this level funding will not be sufficient across the four years and additional opportunities will need to be taken to increase available funding.

54. The major schemes included as future developments are investment in infrastructure for schools and roads arising from increases in population, investment in community speed enforcement following the pilot, a new records office and collection hub, major IT system replacements, mainly Oracle which the council has had in place since the early 1990s and additional investment in the corporate asset investment fund and energy efficiency programme to generate ongoing revenue savings and additional income. The fund could also be used for revenue priorities, for example highways maintenance.

### **Business Rates**

55. The County Council, Leicester City Council, the Combined Fire Authority and all the Leicestershire District Councils are members of the "Leicester and Leicestershire Business Rates Pool". Provisional results for 2016/17 show a surplus of around £5.0m, which will be retained within Leicestershire rather than being returned to the government as would have been the case if the Pool did not exist. The net surplus is slightly higher than the estimate of £4.6m forecasted in January 2017.
56. The current pooling agreement allows for any surplus, less a contingency for future Business Rate Pools, to be allocated to the Leicester and Leicestershire Enterprise Partnership (LLEP) for investment projects in Leicestershire. Consideration is being given to amending the pooling agreement to allocate any surpluses to the proposed Leicester and Leicestershire Combined Authority, which would become the decision-making body for the allocation of surpluses.
57. In addition to the £5m generated in 2016/17 the Pool held a balance of £3.4m from 2015/16. Of this £2m has been paid to the LLEP and the balance of £1.4m is retained as a Pool contingency for future years.
58. The pooling partners reviewed the forecast position for 2017/18 in January 2017, which reported an estimated surplus of £5.9m. All partners therefore agreed to continue with the Pool for 2017/18.

### **General Fund and Earmarked Funds**

59. The uncommitted General Fund balance as at 31 March 2017 stands at £14.8m, which represents 4.1% of the 2017/18 revenue budget, in line with the County Council's policy. The MTFs includes further analysis of the County Council's earmarked funds including the reasons for holding them. A detailed review of earmarked funds will be reported to the Cabinet in the autumn.
60. The total level of earmarked funds held for revenue purposes as at 31 March 2017 is £57.9m, excluding the ring-fenced Dedicated Schools Grant earmarked fund and monies held on behalf of other partnerships, which compares to £53.5m as at 31 March 2016. Earmarked funds for capital purposes total £45.6m as at 31 March 2017 compared with £21.4m at 31 March 2016. Earmarked funds are shown in detail in Appendix D. The main earmarked funds are set out below.

### **Renewals of Vehicles and Equipment (£5.6m)**

61. Departments hold earmarked funds for the future replacement of vehicles (the County Council has a fleet of around 350 vehicles) and equipment such as ICT. The balance on the earmarked fund has increased to provide additional resilience to the vehicle replacement programme allocation in the Capital Programme. This will provide funding for the vehicles required to be purchased for the insourcing of the Recycling and Household Waste Sites and also provide a cushion to manage annual variations in the required replacement profile.

### **Industrial Properties (£1.1m)**

62. These are funds generated from in year underspends over a number of years on the industrial property revenue budgets.

### **Insurance (£20.4m)**

63. Earmarked funds of £13.2m are held to meet the estimated cost of future claims to enable the Council to meet excesses not covered by insurance policies and smooth fluctuations in claims between years. The levels are informed by advice from independent advisors. 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
64. The uninsured loss fund of £7.2m is required mainly to meet potential liabilities arising from Municipal Mutual Insurance (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 which is also an insurer in liquidation.

### **Children and Family Services**

65. Supporting Leicestershire Families (£1.6m). 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.
66. 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.

### **Adults and Communities**

67. Adults and Communities Developments (£6.8m). 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. The increase in the fund compared to the forecast is due to the level of the revenue underspend and not requiring to fund

transformation projects or support staffing from earmarked funds. A review of the use of earmarked funds for 2017/18 and future years is being undertaken in the light of the additional Adult Social Care grant funding awarded in the Spring Budget, mentioned earlier in the report.

### **Public Health**

68. Public Health (£1.8m). This fund will be used for preventative and other beneficial Public Health activities.

### **Environment and Transport**

69. Commuted Sums (£2.6m). This funding, received from developers, 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 therefore the balance on this earmarked fund has built up over time.
70. Waste Infrastructure (£1.9m). This is available to fund capital improvements to the Recycling and Household Waste Sites (RHWS) and Waste Transfer stations. The increase compared to the forecast represents the proposed additional commitments included in this report.
71. Leicester and Leicestershire Integrated Transport Model (LLITM) (£1.2m). This earmarked fund is for money generated from charging other local authorities for using the model. Surplus income is added into the fund and will be used to finance activity to refresh the model when required in around 3 years' time. Updating the LLITM is important to ensure it accurately predicts the impact of future prospective developments and supports potential bids for future major schemes.
72. E&T Developments / advanced design (£1.4m). This earmarked fund is used to fund feasibility studies and advance design works to enable bids to be made (and provide some match funding) for major capital schemes to improve the transport infrastructure supporting expected growth in Leicestershire. The increase compared to the forecast is mainly due to money returned to the authority from the Road Safety Partnership which will be utilised to manage the implementation of measures being undertaken to generate savings being delivered under saving ET8 in the MTFs 2017-21.

### **Chief Executive's**

73. Economic Development (£1.4m). This is held to provide funding for economic development proposals and for a business loan scheme that provides a gradual return of funding to the County Council.

### **Corporate**

74. Transformation Fund (£21.3m). The fund is used to invest in transformation projects to achieve efficiency savings and also fund severance costs. To achieve the level of savings 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. The increase compared to the forecast is due to the proposed additional commitments included in this report.

75. Broadband (£5.4m). 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 as a result of securing grant funding from Central Government and ERDF that required those funds to be spent first and within a set period. The funding is earmarked to phase 2 of the programme.
76. Business Rates Retention (£1.4m). This fund was established following the introduction of the Business Rates Retention system in 2013 and is held 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.
77. Local Authority Mortgage Scheme (-£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.
78. Pooled Property Fund(s) (-£20.0m). The Cabinet on 11 September 2015 approved the investment of £15m of the Council's earmarked funds into a pooled property fund. A further investment of up to £10m was approved by the Cabinet on 11 October 2016. The investments are held to achieve higher returns than if the funds were invested as cash. The investment is funded from the overall balance of earmarked funds and can be realised in the future when required.

## **Capital**

79. Capital Financing (£19.3m). This fund is used to hold MTFs revenue contributions to fund capital expenditure in future years. The increase at year end is due to slippage on the overall capital programme.
80. Future Developments (£26.3m). This is additional funding to support future capital programme developments, covered earlier in the report. The dedicated earmarked fund for the Loughborough University Science Park has been amalgamated into this fund for consistency. Including the proposed £10.1m from the 2017/18 MTFs the balance will be £36.4m in 2017/18.

## **Schools / Partnerships Earmarked Funds**

81. Dedicated Schools Grant (£2.8m). 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 and has supported the high needs block overspend in 2016/17.

## **CAPITAL PROGRAMME**

82. The updated capital programme for 2016/17 totals £103.0m, including funding carried forward from the 2015/16 capital outturn relating to slippage on schemes.
83. A summary of the capital outturn for 2016/17, excluding schools devolved formula capital, is set out below:

Programme Area	Updated Budget £000	Actual Expenditure £000	(Under)/Over spend £000	%
Children and Family Services	29,320	32,555	3,235	111%
Adults and Communities	4,897	4,483	(414)	92%
Public Health	293	293	0	100%
Env't & Transport - Transportation	43,135	44,005	870	102%
Env't & Transport - Waste Management	1,138	133	(1,005)	12%
Chief Executive's	4,625	2,526	(2,099)	55%
Corporate Resources	5,028	4,233	(795)	84%
Corporate Programme	14,543	9,915	(4,628)	68%
<b>Total</b>	<b>102,979</b>	<b>98,143</b>	<b>(4,836)</b>	<b>95%</b>

84. A summary of the key achievements and main variations are set in the following paragraphs below. Further details of the main variations are provided in Appendix E.
85. Appendix F compares the provisional prudential indicators with those set and agreed by the Council, at its budget meeting in February 2016. These are all within the limits set except for the capital financing requirement, £268m compared with £266m. At the time the indicator was set, this included an estimated £2m contribution towards voluntary minimum revenue provision (MRP), to be funded from 2015/16 revenue underspends. A decision was subsequently taken at the outturn not to make the contribution and to use the funds for other strategic investment priorities.

## **Children and Family Services**

### **Key Achievements**

86. The 2016/17 programme delivered an additional 1,100 school places, saw the completion of the Fossebrook Primary School in August 2016 and completed the refurbishment of the former Mount Grace High School to provide extended accommodation for Hinckley Parks Primary School.

### **Main Variances**

87. The year end position shows net acceleration of £3.2m compared with the updated budget. The main variances are reported below.



88. School Accommodation Programme – acceleration of £1.5m. Acceleration of a new primary school in Birstall (Hallam Fields) due to works being completed earlier than anticipated. The new school is scheduled to be completed in July 2017 and open at the start of the 2017/18 academic year.
89. Wigston Area Special School - acceleration of £1.1m. Works completed ahead of schedule with the new school now scheduled to be completed in July 2017 and to open at the start of the 2017/18 academic year.
90. School Accommodation Programme 10+ - acceleration of £0.9m. Works have been completed earlier than anticipated and include the following schemes, Long Whatton Primary School, Oadby Brookside Primary School, Oadby Brockshill Primary School and Shepshed St. Botolph's School.
91. Strategic Capital Maintenance – slippage of £0.3m due to delays across a number of smaller projects. The programme of funding includes boiler replacements, structural repairs and electrical works at schools.

### **Adults and Communities**

#### **Key Achievements**

92. Extra Care Loughborough. The Council's contribution towards the provision of 60 units is progressing well with completion of the development expected in Summer 2017.
93. Syston Smart Library. The installation of smart technology to enable people to access a library outside of usual opening hours is currently being trialled in Syston offering 24 additional opening hours per week through smart access. Users will be able to use their library card to access the building in order to borrow, return and renew items or use the public computers, wi-fi and printing and copying facilities.

#### **Main Variances**

94. The year end position shows a slippage of £0.4m compared with the updated budget. The main reasons are:
- Changing Places, £0.2m.
  - Replacement of mobile libraries, £0.2m.

### **Public Health**

95. The actual expenditure is in line with the updated budget.

### **Environment and Transportation – Transportation**

#### **Key Achievements**

96. £5.2m (funded from external sources) was spent on the new M1 Bridge to help deliver growth and infrastructure in Lubbethorpe and Leicestershire. It was completed in November 2016 and will be opened to the public in July 2017 following completion of internal roads by the developer. The opening of the bridge and link road will allow

access to the houses already occupied and others being built at the Beggars Lane end of the development.

97. A total of £11m has been spent on the Strategic Economic Plan, mostly funded through the LLEP. Schemes include:
- Lubbethorpe SES, £3.3m - work at the B4114 junction and the new access into the employment site progressed well in 2016/17 with minimal disruption to the travelling public and were completed in May 2017
  - M1 J22, £3.9m – Improvements to the M1 J22 roundabout were completed in August 2016 and feedback from the public regarding the improvements has been very positive.
  - A42 J13, £0.8m – work to improve the junction started in late 2016/17 following the completion of M1 J22 works. The scheme is on track for completion this summer and will be followed by improvements to a nearby junction funded under the National Productivity Investment Fund.
  - Leicester North West, £1.1m - works to improve the A50 corridor entering Leicester were completed in summer 2016, with traffic flows being much improved. The next phase of the programme is being developed by Leicester City Council and is currently out for public consultation.
  - Hinckley Phase 3, £1.7m - Phase 3 of the works to improve walking, cycling and public transport provision was completed in Autumn 2016 with the development of phase 4 schemes for delivery in 2017/18 progressing well.
98. The programme to replace all Street lights in Leicestershire with LED Lanterns is progressing ahead of schedule. £12.2m was spent on replacing over 45,000 lights. The programme has resulted in a significant reduction in on-going energy costs and the work is expected to be completed by March 2018.
99. A total £12.8m was also delivered on Highways Asset Maintenance, including:
- £10.2m on carriageways
  - £0.9m on footways and rights of way
  - £1.0m on bridge maintenance and strengthening
  - £0.4m on flood alleviation
  - £0.2m on traffic signal renewal
  - £0.1m on other activity including joint sealing

## **Main Variances**

100. The year end position shows a net acceleration of £0.9m compared with the updated budget. The main variances are reported below:
101. M1 Junction 22 scheme – overspend of £1.0m. Gross additional costs of £1.8m due to Traffic Management constraints to working on the strategic road network. As this scheme involved working on the trunk road network, there were additional restrictions on daytime working. This was exacerbated by Government consultations and initiatives around reducing congestion during road works all of which led to the need for additional night working and additional costs. There were additional section 106 developer contributions relating to the Coalville Growth Strategy of £0.8m, for which the scheme is crucial, that have been included resulting in a net £1m overspend.

102. A42 Junction 13 – slippage of £2.4m due to aligning the works with Highways England Maintenance schemes. Highways England were carrying out other works on the A42 near the junction, delaying the commencement of works on the scheme until January (originally planned for late summer). Notification was received quite late. However, overall the expenditure on the scheme is still expected to spend in line with original estimates.
103. Lubbethorpe Strategic Employment Site Access – underspend of £1.0m and slippage of £0.7m. This scheme was divided into a number of specific elements. The works that are being undertaken will end up costing £1m less than the resources originally identified. The scheme will finish in 2017/18 and the delay has resulted in some expenditure slipping into the next financial year.
104. The above three schemes are all part funded by the LLEP through the Single Local Growth Fund where the grant can be used across the three schemes.
105. Flood Alleviation scheme – underspend of £0.2m due to cost savings and enhanced flood investigations being carried out resulting in the removal and de-scoping of some schemes.
106. Advanced Design work - slippage £2.1m due to several schemes that are to be designed in the new financial year and match funding which is to be aligned with future schemes should the department be successful in obtaining external funding.
107. Fleet Renewal scheme – slippage of £1.6m due to extended lead time for some vehicles. Highway vehicles have unique specifications which can mean a number of months before delivery of the vehicles take place.
108. Street Lighting LED invest to save scheme – acceleration of £7.3m. A revised profile of works and additional installation gangs have been contracted to accelerate the programme and associated savings.

## **Environment and Transportation – Waste Management**

### **Key Achievements**

109. The programme of small improvements and works to ensure Environmental compliance at the Recycling and Household Waste Sites (RHWS) and Waste Transfer Stations (WTS) has continued. This work builds upon the previous successes and underpins the County Council's commitment to providing a high quality service.

### **Main Variances**

110. The year end position shows a net variance of £1.0m compared with the updated budget. The main reasons are:

- Coalville Transfer Station – underspend £0.7m. The business case for Coalville Transfer Station is no longer viable and the proposed scheme will now not take place.
- Drainage works and improvements to waste sites – slippage of £0.3m due to the transition arrangements arising from the departmental restructure and works which are subject to agreement with the Environment Agency.

## **Chief Executive's**

### **Key Achievements**

111. Rural Broadband Scheme. The Superfast Leicestershire rural broadband programme is ensuring access to high-speed fibre broadband to rural businesses and communities – boosting business growth and ensuring access to a range of existing digital services. Phase 2 which is the Superfast Expansion Programme is expected to complete in 2017/18.

### **Main Variances**

112. The year end position shows slippage of £2.1m compared with the updated budget. This is due to the revised profile of works. Phase 2 is expected to be completed in 2017/18 when the BDUK grant will also be received.

## **Corporate Resources**

### **Key Achievements**

113. Investment in the ICT infrastructure of £0.5m on:

- Customisation and roll out of the replacement Intranet which has enabled more efficient sharing of information and smarter working practices.
- Investment in new Print Equipment will enable the Print team to bid for more work and deliver more orders, leading to an increase in sales figures.
- Corporate infrastructure for Virtual Desktop Integration (VDI) procured, designed and built. Rollout of VDI completed throughout County Hall and begun at satellite sites across the county, in line with the County Hall Masterplan. VDI is a key enabler of smarter working.

### **Main Variances**

114. The year end position shows net slippage of £0.8m compared with the updated budget. The main variances include:

- Corporate ICT Capital Programme - slippage of £0.5m, mainly relating to the Unified Telephony / Skype phase 2 project which will now be completed in 2017/18.
- Demolition of Vacant Buildings – slippage of £0.3m on the replacement of playing field at Melton KE VII site due to water logging in February.

## **Corporate Programme**

### **Key Achievements**

115. Corporate Asset Investment Fund – North Kilworth Walton Holt Farm was purchased for £3.5m (including on-costs) and £4.6m was spent on the Harborough Accelerator Zone (Airfield Farm).
116. Corporate Energy Strategy - £0.4m has been spent on upgrading lighting, boilers and heating controls at County Council premises.
117. Energy Score + Programme - £0.2m has been spent completing works at the Bosworth Academy on Solar PV panels and LED lighting. This will deliver on-going revenue savings for the school

### **Main Variances**

118. The year end position shows overall net slippage of £4.6m compared with the updated budget. The main variances are:
- Corporate Asset Investment Fund – net slippage of £2.2m. The main area of slippage relates to the Coalville Workspace Project due to planning delays and awaiting grant funding.
  - Loughborough University Science Enterprise Park – £1.4m. Loughborough University are reviewing the project resulting in the need to revise the profile of spend. The project has now been included in the MTFS 2017-21 as a future development.
  - Energy Strategy Invest to Save – acceleration, £0.5m, on a number of small scale energy efficiency measures, including boilers, heating controls and LED lighting upgrades.
  - Rural Workspace project – slippage £0.9m. Delays in achieving planning permission on the three schemes at, Billesdon, Leaders Farm Lutterworth and Quorn.
  - Countesthorpe, The Drive – slippage £0.5m. The re-provision of the nursery has been delayed while a review of alternatives is being undertaken.

### **Capital Receipts**

119. The actual level of general capital receipts achieved in 2016/17 was £12.7m compared with the target budget of £12.1m. The increase to budget at year end will be carried forward to fund future capital programmes as part of the MTFS.

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

None.

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## **Appendices**

Appendix A - Comparison of 2016/17 Expenditure and the Updated Revenue Budget  
 Appendix B - 2016/17 Carry Forward requests requiring Cabinet approval  
 Appendix C - Revenue Budget 2016/17 – main variances  
 Appendix D - Earmarked Fund balances 31/3/17  
 Appendix E - Variations from the updated 2016/17 capital programme  
 Appendix F - Prudential Indicators 2016/17

## **Background Papers**

Report to the Cabinet - 27 June 2006 – Provisional Revenue Outturn 2005/06 (regarding guidelines for carry forward requests)

[http://politics.leics.gov.uk/Published/C00000135/M00001410/AI00013352/\\$DProvisionalRevenueOutturn0506includingAppendix3.doc.pdf](http://politics.leics.gov.uk/Published/C00000135/M00001410/AI00013352/$DProvisionalRevenueOutturn0506includingAppendix3.doc.pdf)

Report to the County Council – 17 February 2016 – Medium Term Financial Strategy 2016/17 to 2019/20

<http://politics.leics.gov.uk/documents/s116677/SUPPLEMENTARY%20REPORT%20OF%20THE%20CABINET.pdf>

Report to Cabinet 11 October 2016 – MTFS Period 5 Monitoring

<http://politics.leics.gov.uk/documents/s123005/FINAL%20-%20MTFS%20P5%202016-17%20monitoring%20report.pdf>

Report to the County Council – 22 February 2017 – Medium Term Financial Strategy 2017/18 to 2020/21

<http://politics.leics.gov.uk/documents/s126527/MTFS%202017%20-2021.pdf>

Report to the Cabinet – 23 June 2017 – 2016/17 Provisional Revenue and Capital Outturn

<http://politics.leics.gov.uk/documents/s129536/FINAL%20201617%20Provisional%20Revenue%20and%20Capital%20Outturn.pdf>

## **Equal and Human Rights Implications**

There are no direct implications arising from this report.

**COMPARISON OF 2016/17  
EXPENDITURE AND THE UPDATED REVENUE BUDGET**

SERVICES 1	UPDATED BUDGET 2 £000	ACTUAL EXPENDITURE 3 £000	VARIATION 4 £000	CARRY FORWARDS		NET VARIATION 7 £000	%
				WITHIN GUIDELINES 5 £000	APPROVED BY CABINET 6 £000		
<b>SERVICES</b>							
CHILDREN & FAMILY SERVICES							
DEDICATED SCHOOLS GRANT							
Delegated	104,077	104,077	0			0	
Centrally Managed	84,375	86,773	2,399			2,399	2.8%
Dedicated Schools Grant (Schools)	-104,077	-104,077	0			0	
Dedicated Schools Grant (Central)	-85,297	-85,297	0			0	
Fund 2015/16 overspend from DSG Earmarked Fund	0	-2,399	-2,399			-2,399	n/a
DSG for Central Dept recharges	-922	-922	0	0	0	0	
OTHER CHILDREN & FAMILY SERVICES	61,983	60,796	-1,187	65		-1,122	-1.8%
ADULTS & COMMUNITIES	138,101	127,163	-10,938			-10,938	-7.9%
PUBLIC HEALTH	-2,450	-2,991	-541		450	-91	3.7%
ENVIRONMENT & TRANSPORT	72,360	70,570	-1,790		200	-1,590	-2.2%
CHIEF EXECUTIVES	10,032	9,587	-445	85		-360	-3.6%
CORPORATE RESOURCES	36,568	35,455	-1,113			-1,113	-3.0%
CONTINGENCY FOR EFFICIENCY SAVINGS	8,000	0	-8,000			-8,000	-100.0%
CONTINGENCY FOR INFLATION (unallocated element)	7,199	0	-7,199			-7,199	-100.0%
<b>TOTAL SERVICES</b>	<b>330,871</b>	<b>299,658</b>	<b>-31,213</b>	<b>150</b>	<b>650</b>	<b>-30,413</b>	<b>-9.2%</b>
<b>CENTRAL ITEMS:</b>							
BANK & OTHER INTEREST	-1,950	-2,335	-385			-385	
FINANCING OF CAPITAL	24,100	23,521	-579			-579	
REPAYMENT OF DEBT / MRP	4,475	4,475	0			0	
REVENUE FUNDING OF CAPITAL	3,947	3,947	0			0	
CARBON REDUCTION COMMITMENT	355	307	-48			-48	
ELECTIONS	200	200	0			0	
FINANCIAL ARRANGEMENTS	-125	-910	-785			-785	
MEMBERS EXPENSES & SUPPORT ETC.	1,354	1,282	-72			-72	
FLOOD DEFENCE LEVIES	280	279	-1			-1	
PENSION COSTS	1,900	1,829	-71			-71	
LOCAL SERVICES SUPPORT GRANT	-385	-357	28			28	
CONTRIBUTION TO DISCRETIONARY DISCOUNTS & ADMIN.	225	160	-65			-65	
NEW HOMES BONUS GRANT	-4,170	-4,171	-1			-1	
NEW HOMES BONUS - ELEMENT OF TOP-SLICE RETURNED	-130	-131	-1			-1	
EDUCATION SERVICES GRANT	-3,650	-3,597	53			53	
TRANSITION GRANT	-3,307	-3,307	0			0	
NDR REVALUATION SAVINGS	0	0	0			0	
OTHER ITEMS (inc prior year adjustments)	0	-911	-911	50		-861	
CORPORATE CARRY FORWARDS FROM 2015/16	7,500	7,500	0			0	
<b>TOTAL CENTRAL ITEMS</b>	<b>30,619</b>	<b>27,781</b>	<b>-2,838</b>	<b>50</b>	<b>0</b>	<b>-2,788</b>	<b>-9.1%</b>
EXPENDITURE APPROVED BY CABINET 11/10/16	0	15,600	15,600			15,600	
CAPITAL PROGRAMME 2017-21	0	6,100	6,100			6,100	
SPEED AWARENESS PILOT	0	0	0	500		500	
CONTRIBUTION FROM EARMARKED FUNDS	-1,000	-1,000	0			0	
<b>TOTAL EXPENDITURE</b>	<b>360,490</b>	<b>348,139</b>	<b>-12,351</b>	<b>700</b>	<b>650</b>	<b>-11,001</b>	<b>-3.1%</b>
<b>INCOME</b>							
REVENUE SUPPORT GRANT	-36,992	-36,992	0			0	
BUSINESS RATES - TOP UP	-36,743	-36,743	0			0	
BUSINESS RATES BASELINE / LOCAL SHARE	-20,337	-20,337	0			0	
SECTION 31 GRANT - BUSINESS RATES RELIEFS ETC	-1,470	-1,526	-56			-56	
COUNCIL TAX PRECEPT	-247,516	-247,516	0			0	
NET SURPLUS ON COUNCIL TAX COLLECTION FUNDS	-3,682	-3,682	0			0	
<b>TOTAL INCOME</b>	<b>-346,740</b>	<b>-346,796</b>	<b>-56</b>	<b>0</b>	<b>0</b>	<b>-56</b>	
<b>ADDITIONAL COMMITMENTS</b>							
CAPITAL PROGRAMME FUTURE DEVELOPMENTS	0	8,514	8,514			8,514	
TRANSFORMATION EARMARKED FUND	0	2,000	2,000			2,000	
WASTE STRATEGY IMPLEMENTATION	0	543	543			543	
	0	11,057	11,057	0	0	11,057	
WITHDRAWAL FROM/ADDITION TO GENERAL FUND	13,750	12,400	-1,350	700	650	0	
<b>GENERAL FUND</b>							
UNCOMMITTED BALANCE 1.04.16		14,806					
NET UNDERSPEND		1,350					
CARRY FORWARDS		-1,350					
FORECAST BALANCE 31.03.17		14,806					

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**2016/17 CARRY FORWARD REQUESTS  
APPROVED BY CABINET**

	£000
<b><u>Public Health</u></b>	
Local Area Co-ordinators - to extend the pilot	450
<b><u>Environment &amp; Transport</u></b>	
Highways Maintenance - A6 studs, white lining and traffic management - works delayed to coincide with bridge works and avoid duplication of traffic management costs	200
	<hr/>
	650

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**APPENDIX C****Revenue Budget 2016/17 – Main Variances****Children and Family Services****Dedicated Schools Grant (DSG)**

There is a net overspend of £2.4m, which has been funded from the DSG earmarked fund. The main variances are:

	£000	% of Budget
<b><u>High Needs</u></b>		
<b>Special Educational Needs (SEN)</b>	<b>1,974</b>	<b>4%</b>
Increased demand at special schools due to unusual age profile with few age 19 leavers and a large intake of younger pupils. Material increase in numbers of ASD pupils diagnosed and needing high cost independent specialist provision. Additional primary school starters resulting from changes in Special Educational Needs Disability (SEND) legislation to expand age range from birth to 25. Fewer independent school leavers due to full year effect of Participation Age extension and increased numbers of students at FE colleges and post 16 Independent Specialist Provision in line with changes to the Participation Age with no additional DSG funding. 16/17 budget was set after transferring £4.3m from the DSG Schools Block to the High Needs Block leaving a savings target of £2.6m. This hasn't been fully achieved; £385k of SEND grant has been used to reduce the overspend and there is also a £500k credit from a change in policy by Leicester Hospital Schools as a one off prior year adjustment. Overall 140 more pupils are being supported (3,184 forecast vs 3,044 budgeted) and average unit costs have decreased slightly from £17,515 to £17,259 despite the pupil mix changing to include more ASD pupils which are more expensive to support. The reduction is due to various cost saving initiatives beginning to show effects.		
<b>Specialist Services to Vulnerable Groups</b>	<b>362</b>	<b>9%</b>
More pupils with ASD are being supported by alternative providers arranged by the Autism Outreach Intensive Support Service.		
<b>Oakfield school</b>	<b>224</b>	<b>29%</b>
Increased expenditure relates to investment in the Graduated Response project led by Oakfield School to prevent primary aged children entering into specialist provision. The invest to save scheme established as an action to reduce the overspend on High Needs DSG through reduced cost of placements.		
<b><u>Early Years</u></b>		
<b>0-5 Learning</b>	<b>-376</b>	<b>-2%</b>
The underspend is a combination of delays in recruitment to posts within the service budget, coupled with the take up of hours in regards to both the 2 year old and 3/4 year old offer being greater at the end of the year than forecast. This increases the final spend, but also increases the final grant. The final grant has increased by £180k more than the spend. This is mainly due to a prior year adjustment of £194k which has resulted in a higher grant figure overall.		

<b>Schools</b>		
<b>School Growth</b>	<b>219</b>	<b>n/a</b>
Start up payment for a new school. This funding was set aside within the DSG earmarked fund.		
<b>Other variances</b>	<b>-4</b>	<b>n/a</b>
<b>TOTAL</b>	<b>2,399</b>	<b>n/a</b>

#### Local Authority Budget

The Local Authority Budget has underspent by £1.2m which reduces to £1.1m (1.8%) after carry forward requests of £0.1m. The main variances are:

	<b>£000</b>	<b>% of Budget</b>
<b>Directorate</b>	<b>505</b>	<b>62%</b>
Interim C&FS management changes and delays in departmental restructure have resulted in a significant proportion of staff agency related spend.		
<b>Children's Social Care Legal Costs</b>	<b>433</b>	<b>85%</b>
The number of care cases that have been instructed to issue proceedings continues to rise and result in a budget pressure. In addition, there are approximately 80-100 pre-proceedings cases which provide additional cost pressures.		
<b>Unaccompanied Asylum Seeking Children (UASC)</b>	<b>372</b>	<b>150%</b>
Demand on this budget has significantly increased this financial year, which has resulted in increased need for additional staffing to manage demand The UASC team is managing a net increase of 16 children, 6 of which are as a result of the national transfer scheme prior to Leicestershire opting out. The team are working with a total of 58 children and have completed 50 age assessments and have met immigration requirements and legal challenges. The majority of these children arrive 'spontaneously' on trucks and are the statutory responsibility of the local authority lies with the LA in which they arrive. The Home Office grant will not provide funding for the first 25 full time equivalent UASC care leavers, which subsequently needs to be absorbed by the local authority. There is also national concern as to whether the Home Office funding rates are sufficient to absorb the total costs to LA's. There is currently some work being undertaken through the East Midlands Councils which is seeking to evidence this.		
<b>Children's Social Care Field Work Teams</b>	<b>173</b>	<b>2%</b>
Overspend largely due to additional agency social workers recruited on a short term basis in year to manage increased demand within particular teams as a direct result of the work required for the department's Ofsted inspection.		
<b>Fostering and Adoption Service</b>	<b>170</b>	<b>7%</b>
Increased demand on service, largely due to the increased volume of fostering assessments coming into the team.		

<b>Children Placements</b>	<b>-1,579</b>	<b>-7%</b>
For 2016/17 the number of looked after children has increased from 469 in March 2016 to 494 at the end of March 2017. Analysis of the type of placement and the financial position shows a reduction in children in external residential care and a movement to lower cost provision. The average unit cost for children's placements has seen a reduction of 8% from the position in 2015/16. The underspend is after growth of £7.9m was allocated. Although the increase in expenditure on high cost placements has reduced the overall number of looked after children continues to rise at a significant rate, of c8% per annum. This is putting the budget under increasing pressure.		
<b>Targeted Early Help</b>	<b>-431</b>	<b>-4%</b>
Underspend due to staff turnover and managed vacancies.		
<b>Education, Learning &amp; Skills - 5 to 19 Learning</b>	<b>-366</b>	<b>-15%</b>
Underspend due to Schools performing better than previous years, so less need for commissioned support from within the Education quality improvement budget.		
<b>Children's Management</b>	<b>-235</b>	<b>-19%</b>
One-off carry forward money (£120k) was set aside to assist with the development of an apprenticeship scheme for care leavers, however the scheme has yet to be progressed. In addition, changes in year to the business support SLA between C&FS and A&C has resulted in less spend than originally anticipated.		
<b>Education Psychology Service</b>	<b>-153</b>	<b>-16%</b>
Underspend due to staff turnover and delays in recruitment.		
<b>Other variances</b>	<b>-76</b>	<b>n/a</b>
<b>TOTAL</b>	<b>-1,187</b>	<b>n/a</b>

### Adults and Communities

The Department has a net underspend of £10.9m (7.9%). The main variances are:

	<b>£000</b>	<b>% of Budget</b>
<b>Care Review Teams</b>	<b>599</b>	<b>87%</b>
Relates to staffing costs associated with reviewing service users care packages and not using earmarked funds to fund these costs due to the departmental outturn position. Funding will be required in the earmarked fund to continue reviews for future years.		
<b>Supported Living</b>	<b>413</b>	<b>3%</b>
There have been additional new support packages some with significant costs, an increase in hours of support and £250k savings not achieved due to delays in the tendering process. The 2017/18 budget will be reviewed to take account of the ongoing costs into 2017/18 (and other significant variations within the department).		
<b>Safeguarding, DOLS and Court of Protection</b>	<b>289</b>	<b>11%</b>
Court of Protection costs have increased by £151k and there has been a loss of Departmental of Health grant income of £227k. This has been partially offset by underspends on running costs due to fewer cases being reviewed than anticipated.		

<b>Promoting Independence Locality teams</b>	<b>270</b>	<b>7%</b>
Additional staffing costs associated with reviewing service users care packages, for which earmarked funds have not been used due to the outturn position. Staffing is being reviewed as part of the departmental Workforce Strategy which will deliver savings in 2017/18.		
<b>Complex Mental Health (CMHS) &amp; Emergency Duty Teams</b>	<b>263</b>	<b>8%</b>
Additional staffing costs to deal with the greater number of referrals of service users plus transfers from Older People CMHS from localities.		
<b>Home Care</b>	<b>-5,887</b>	<b>-23%</b>
At the start of the financial year, growth of £1.8m was expected and this has not materialised. In addition there has been a 14% reduction in the number of service users net of Help to Live at Home (HTLAH) transfers to Direct Payments (£4.7m) off set by an increase in the cost of average commissioned hours (£0.7m). There has also been a reduction in self-funding service users which is offset by a corresponding loss of chargeable income. The budget for 2017/18 will be reviewed to take account of these significant changes.		
<b>Direct Cash Payments</b>	<b>-2,134</b>	<b>-7%</b>
Underspend relates to clawback of unspent cash payment balances (£1.0m), increase in Grant income (£0.3m), the predicted growth in numbers not materialising (£1.4m) offset by an increase in the average package price (£0.5m) and an increase in one-off payments (£0.1m). As part of the HTLAH project, there have been a number of requests to transfer to a direct payment by service users who prefer to have their future support needs met by their current home care provider. During 2016/17 around 740 service users have taken this option and to reflect this the budget has been transferred to Direct Payments from Homecare.		
<b>Residential &amp; Nursing Care</b>	<b>-1,056</b>	<b>-2%</b>
Forecast underspend due to additional Continuing Health Care (CHC) contributions of £2.9m. In addition increased client income of £680k, arising from higher than forecast deferred income (£200k) and manual invoicing (£480k). An additional credit of £103k has arisen from a decrease in the Bad Debt Provision requirement for 17/18. The position is offset by additional expenditure on social care due to an increase in payments for additional needs (£1.1m) and increased short term care (£0.6m), back dated arrears relating to previous years (£0.6m) and some significant new care packages (£0.3m). Overall the average number of service users remains around 2,400.		

<b>Community Income</b>	<b>-952</b>	<b>-6%</b>
Additional CHC income of £1.7m compared with budget resulting from additional non-LD pool income linked HTLAH. This is offset by reductions in client income from chargeable service users (£849k). This has arisen from a loss of full cost service users (approx. 325) together with a reduction in the number of chargeable service users totalling (approx. 300) following the introduction of HTLAH. The decrease is mainly due to service users exiting that would have had a self-funder fee charge applied following reassessment. Gross expenditure for client services has fallen as a result. An additional credit of £70k has arisen from a decrease in the Bad Debt Provision requirement for 17/18.		
<b>Better Care Fund</b>	<b>-671</b>	<b>-4%</b>
Additional contribution of £0.7m agreed from the Better Care Fund to fund inflationary costs on residential and homecare services.		
<b>Community Life Choices / Day Services</b>	<b>-521</b>	<b>-18%</b>
Additional CHC income as result of revised in-house Community Life Choices (CLC) charges (£150k), plus staffing vacancies as part of wider restructuring (£450k), offset with higher running costs.		
<b>Community Life Choices Demand</b>	<b>-334</b>	<b>-6%</b>
Reduction in the number of service users and average package sizes.		
<b>Aids, Adaptations and Assistive Technology</b>	<b>-316</b>	<b>-11%</b>
Underspend from the Community Equipment joint arrangement with Leicester City Council (£0.2m) as a result of revised pricing, recycling of equipment and reclamation of unused equipment. The balance relates to fewer requests for adaptations equipment.		
<b>Supported Living, Residential and Short Breaks</b>	<b>-283</b>	<b>-7%</b>
Additional CHC income as result of revised in-house charges.		
<b>Compliance- Staffing</b>	<b>-218</b>	<b>-22%</b>
Change in contract arrangements and vacant posts held pending outcome of the departmental Workforce Strategy review.		
<b>Reablement (HART)</b>	<b>-177</b>	<b>3%</b>
For the period pre HTLAH implementation there was an underspend of £358k due to managed vacancies and early achievement of 2017/18 staffing savings. Transfer of referrals to the independent sector post HTLAH implementation has reduced the underspend.		
<b>Community Care Finance</b>	<b>-158</b>	<b>-15%</b>
Additional income from Self-funder administration fees; Court of Protection fees and deferred payment set-up and administration fees.		
<b>Business Support</b>	<b>-155</b>	<b>-8%</b>
Vacant posts held pending outcome of the departmental Workforce Strategy review and other administrative savings across all office bases.		
<b>Other variances</b>	<b>90</b>	<b>n/a</b>
<b>TOTAL</b>	<b>-10,938</b>	<b>n/a</b>

## **Public Health**

The net underspend is £0.5m, before carry forward requests of £0.5m.

The main variances are:

	£000	% of Budget
<b>Smoking and Tobacco</b>	<b>129</b>	<b>13%</b>
The Stop Smoking service was transferred in house from January 2017. The overspend includes treatments to be used by the new service, transition costs for existing service users who will remain with the existing provider initially and the purchase of a new patient management system. The resulting overspend is offset to a degree by underspends on the previous contract. In addition, the Tobacco Free Schools contract has finished and is underspent by £55k due to early achievement of MTFS savings.		
<b>Department and Provider</b>	<b>100</b>	<b>6%</b>
This variance is as a result of the service not using the budgeted income from earmarked funds due to the overall departmental position.		
<b>Obesity Programmes</b>	<b>-186</b>	<b>-28%</b>
The underspend is largely made up of £140k on the Food for Life Partnership and £35k on the Commercial Weight Management contract, both of which relate to an early achievement of MTFS savings.		
<b>Health Check Programme</b>	<b>-125</b>	<b>-21%</b>
A lower number of health checks have been carried out as specific groups were invited to attend. This is part of the redeveloped specification in line with a more targeted approach.		
<b>Other Public Health Services</b>	<b>-122</b>	<b>-25%</b>
The Probation Health Contract has underspent by £20k as per an early MTFS saving. The Cancer Early Detection budget of £25k was not required due to work being carried out in association with the existing commissioned services for 2016/17. Mental Health services have underspent by £28k. Additional income for Mental Health counselling services of £50k from the Clinical Commissioning Groups has also been received.		
<b>Local Area Coordination</b>	<b>-66</b>	<b>-71%</b>
A proposal to expand the service to cover the wider Leicestershire area through Better Care Fund investment was not approved. The underspend is the amount of Public Health grant that was to be used to support the expansion.		
<b>Substance Misuse</b>	<b>-117</b>	<b>-3%</b>
Community Based Services for alcohol abuse is £50k underspent, this area is demand led. The main contract has underspent by £200k, which has been offset by additional payments relating to the previous year of £108k. This was a planned transformation programme which included these savings at the point of re procurement and new delivery.		
<b>Sexual Health</b>	<b>-88</b>	<b>-2%</b>
Demand led contraception services provided by pharmacies and GPs have underspent which was achieved as part of a decommissioning full year effect and early achievement of MTFS savings. In addition demand led out of county provider claims for STI services were also underspent.		
<b>Other variances</b>	<b>-66</b>	<b>n/a</b>



<b>TOTAL</b>	<b>-541</b>	<b>n/a</b>
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### **Environment and Transportation**

The Department has underspent by £1.8m which reduces to £1.6m (2.2%) after carry forward requests of £0.2m. The main variances are:

	<b>£000</b>	<b>% of Budget</b>
<b><u>Transportation</u></b>		
<b>Special Education Needs Transport</b>	<b>489</b>	<b>6%</b>
Overspend due to increased number of pupils, which has been in excess of the expected level of growth built into the 2016/17 budget. The number of pupils receiving transport increased by 4% between November 2015 and November 2016 (1,551 pupils in Nov 15 and 1,611 pupils in Nov 16). In addition, the risk assessment process has identified individuals with more complex needs (higher medical needs), leading to an overall increase in the average daily cost per user of 7% in 2016/17.		
<b>Social Care Transport</b>	<b>174</b>	<b>5%</b>
Cost pressures from 2015/16 continue as a result of increased demand.		
<b>Mainstream School Transport</b>	<b>-443</b>	<b>-9%</b>
Underspend as a result of reduced demand (result of policy change). Income from fare-paying passengers was also higher than expected in 2016/17. Contract efficiencies have been achieved by reviewing contracts for all schools prior to each academic year to ensure savings are realised.		
<b>Public Bus Services</b>	<b>-207</b>	<b>-7%</b>
Majority of the underspend due to savings made through tendering of Park & Ride contract in February 2016 and other contract cost reductions in September 2016. Additional income from employee parking schemes at Park and Ride sites and from season tickets has also contributed to the underspend.		
<b><u>Environment &amp; Waste</u></b>		
<b>Landfill</b>	<b>1,324</b>	<b>18%</b>
Overspend due to restrictions on inputs at the Mechanical Biological Treatment (MBT) plant. This has resulted in additional waste being sent to Landfill. (See corresponding underspend for Treatment Contracts). The overspend is reduced due to 3,200 tonnes capacity that has been provided at the Coventry and Stoke Energy for Waste plants. Waste from Landfill has been diverted to these plants.		
<b>Recycling &amp; Household Waste Sites</b>	<b>153</b>	<b>5%</b>
£114k overspend has arisen from lower than anticipated income from Recycling and Household Waste Site charging. This overspend is offset by underspends in other areas due to reduced waste tonnages being received. The remaining overspend is due to adjustments to prior year payments to the Recycling and Household Waste Site operator.		
<b>Treatment Contracts</b>	<b>-1,255</b>	<b>-14%</b>
Underspend due to reduced volumes of waste being sent to Mechanical Biological Treatment (MBT) plant due to restrictions on inputs. (See corresponding overspend for landfill). The underspend is reduced due to 3,200 tonnes capacity that has been provided at the Coventry and Stoke Energy for Waste plants. Waste from Landfill has been diverted to these plants.		
<b>Composting Contracts</b>	<b>-361</b>	<b>-19%</b>

Underspend due to a combination of contract efficiencies and lower volumes of green waste. The late growing season this year contributed to lower volumes of green waste.		
<b>Waste Management - Staffing &amp; Admin</b>	<b>-213</b>	<b>8%</b>
Vacancies associated with Phase 3 restructure of the department		
<b>Income</b>	<b>-106</b>	<b>10%</b>
Additional income received over and above the MTFS position, including additional income from trade waste.		
<b>Waste Strategy &amp; Initiatives</b>	<b>-113</b>	<b>-35%</b>
Underspend mainly due to delays in key waste / environmental strategic reviews. Delays in project spending have also contributed towards the underspend position.		
<b>Highways</b>		
<b>Environmental Maintenance</b>	<b>164</b>	<b>5%</b>
The overspend consists of 2 elements. (1)£77k on drainage repairs due to a contribution to the Lubbethorpe SES scheme to fund unforeseen drainage repairs required to the Highway drainage system on the B4114- to make efficient use of co-ordinated works & shared traffic management. (2)A £78k overspend on gully emptying as additional resources were procured in period 12 to catch up on the backlog of outstanding work.		
<b>Winter Maintenance</b>	<b>75</b>	<b>5%</b>
Colder conditions in April 2016 resulted in additional gritting.		
<b>Street Lighting</b>	<b>-829</b>	<b>-22%</b>
Underspend relates to acceleration of the LED installation programme leading to earlier than anticipated energy savings (£484k), a £50k saving on electrical testing as a result of efficiency from revised working methods and £285k of additional income from external works and 3rd party recharges.		
<b>Reactive Maintenance (Structural &amp; Safety)</b>	<b>-281</b>	<b>-19%</b>
The joint sealing element of this programme is now being treated as capital expenditure and will be funded from the capital programme (£100k underspend). Materials have also been used more efficiently which has contributed to the underspend (£51k.). There has also been slippage on road markings and lining to align with Bridge works so as to avoid doubling up of traffic management costs (This has been requested as a carry forward)		
<b>Staffing &amp; Administration</b>		
<b>Highways &amp; Transportation</b>	<b>-202</b>	<b>-1%</b>
Underspend due to additional fees received from developers for design checks/other statutory undertakings (£200k), vacancies (£150k) and additional capital income (£100k). Offset by a shortfall for fees associated with new charging processes which have now been delayed until 2017/18 (£250k).		
<b>Other variances</b>	<b>-159</b>	<b>n/a</b>
<b>TOTAL</b>	<b>-1,790</b>	<b>n/a</b>

### **Chief Executives**

There is an underspend of £0.4m which reduces to £0.3m (3.6%) after carry forwards of £0.1m. The main variances are:

	£000	% of Budget
<b>Coroners</b>	<b>194</b>	<b>23%</b>
Overspend relates primarily to increased pressures on the Leicester City and South Leicestershire Coroner's Service run by Leicester City Council. Increased costs were identified at the end of 2015/16 relating to confirmation that the Coroner is entitled to a non-contributory pension and increasing investigations linked to the rising number of deprivation of liberty cases. Demand pressures affecting the service in Leicester City and South Leicestershire are also relevant in the North Leicestershire service, which can be seen in the increased costs of both body transportation and toxicology/pathology testing.		
<b>Planning, Historic &amp; Natural Environment (HNET)</b>	<b>-181</b>	<b>-37%</b>
This is largely due to staff vacancies. Income from planning applications and other sources has also exceeded the budget.		
<b>Trading Standards</b>	<b>-166</b>	<b>-11%</b>
Several vacancies currently exist within the service resulting in an underspend that is partially offset by use of agency staff. The service has also been able to attract income funding from the National Trading Standards Board.		
<b>Democratic Services &amp; Admin</b>	<b>-163</b>	<b>-11%</b>
This underspend relates to a number staff on career grades being on the lower part of their grades. There have also been vacancies throughout the year.		
<b>Strategic and Business Intelligence</b>	<b>-51</b>	<b>-1%</b>
A number of smaller underspends across the service have amalgamated to arrive at this amount.		
<b>Other variances</b>	<b>-78</b>	<b>n/a</b>
<b>TOTAL</b>	<b>-445</b>	<b>n/a</b>

### Corporate Resources

There is an underspend of £1.1m (3.0%). The main variances are:

	£000	% of Budget
<b>Commercial (fully traded elements)</b>	<b>284</b>	<b>-26%</b>
Timing variance for £0.2m of infrastructure and investments on an invest to save basis. The infrastructure costs are budgeted to be fully absorbed in 2017/18 budgets and investments will achieve positive returns in future years. On a trading basis printing, County Hall Catering, Sites Development and furniture sales are behind budget but these are compensated by LEAMIS, School Catering and Bursars. Detailed plans are being developed for all services and bookings are positive for 17/18. The partially traded services such as HR are all positive which offsets some of the fully traded variance.		
<b>ICT</b>	<b>-634</b>	<b>-7%</b>
This is largely due to staff vacancies. Income from planning applications and other sources has also exceeded the budget.		
<b>Strategic Finance, Property &amp; Assurance</b>	<b>-346</b>	<b>-5%</b>
Attrition & retirements not replaced in Finance and Audit as vacancies are held in anticipation of future year savings / impending Review. Vacancies in Strategic Property. Work is being absorbed and prioritised accordingly.		

<b>People resources (HR, Health &amp; Safety, Learning &amp; Development and Trade Union)</b>	<b>-253</b>	<b>-7%</b>
Half of the variance relates to a combination of L&D underspends (£127k) 5.7% of total £2m budget and staff savings in HR and other people services in anticipation of 2017/18 savings targets.		
<b>Commissioning Support Unit</b>	<b>-136</b>	<b>-16%</b>
Timing of vacancies whilst building the team up to capacity and unexpected attrition.		
<b>Other variances</b>	<b>-28</b>	<b>n/a</b>
<b>TOTAL</b>	<b>-1,113</b>	<b>n/a</b>

**EARMARKED FUND BALANCES**

	Revised Balance 01/04/16 £000	Forecast Balance 31/03/17 £000	Actual Balance 31/03/17 £000
<b>Renewal of Systems, Equipment and Vehicles</b>			
Children & Family Services	1,780	1,590	1,799
Adults & Communities	710	710	174
Environment & Transport	440	980	2,074
Corporate Resources	1,400	1,450	1,526
<b>Trading Accounts</b>			
Industrial Properties	1,180	780	1,148
<b>Insurance</b>			
General	11,460	11,460	12,747
Schools schemes and risk management	420	420	423
Uninsured loss fund	7,400	7,400	7,222
<b>Committed Balances</b>			
Central Maintenance Fund	80	0	392
Community Grants	330	200	295
<b>Other</b>			
Children & Family Services			
Supporting Leicestershire Families	2,260	1,740	1,617
C&FS Developments	2,770	2,260	2,731
Youth Offending Service	360	270	471
Special Educational Needs Disability (SEND)	900	410	837
School Based Planning	330	690	687
Leicestershire Schools Music Service	0	0	164
Adults & Communities			
Adults & Communities Developments	6,890	3,120	6,751
Museums & Arts	40	0	43
A&C Extra Care	610	610	611
Public Health	1,820	1,820	1,822
Environment & Transport			
Commuted Sums	2,300	2,030	2,628
Civil Parking Enforcement	100	80	187
Waste Infrastructure	1,510	1,460	1,932
Section 38 Income	490	390	487
Section 106	360	210	355
Leicester & Leicestershire Integrated Transport Model (LLITM)	820	1,120	1,232
E&T Developments/ advanced design	600	350	1,376
Other	140	130	137
Chief Executive			
Community Planning	200	80	142
Economic Development-General	1,890	1,300	1,367
Economic Develop.-Leics Local Enterprise Fund	200	200	138
Legal	310	240	306
Signposting and Community Support Service	770	460	461
Chief Executive Dept Developments	670	520	629
Corporate Resources			
Corporate Resources Developments	690	490	667
Corporate:			
Transformation Fund	16,590	19,250	21,290
East Midlands Shared Services - IT development	430	230	429
Elections	630	830	823
Broadband	5,610	5,470	5,446
Business Rates Retention	1,410	1,410	1,410
Inquiry and other costs	0	2,000	1,287
Local Authority Mortgage Scheme (LAMS)*	-8,400	-8,400	-8,400
Pooled Property Fund investment **	-15,000	-20,000	-19,996
<b>TOTAL</b>	<b>53,500</b>	<b>45,760</b>	<b>57,868</b>
Potential Health Transfers	0	3,000	0
<b>TOTAL</b>	<b>53,500</b>	<b>48,760</b>	<b>57,868</b>
<b>Capital</b>			
Capital Financing (phasing of capital expenditure)	21,430	17,220	19,271
Future Developments	0	17,750	26,264
<b>Total</b>	<b>21,430</b>	<b>34,970</b>	<b>45,535</b>
<b>Schools and Partnerships</b>			
Dedicated Schools Grant	5,320	2,000	2,795
C&FS Health Outcomes	1,640	0	0
Health & Social Care Outcomes	5,080	2,530	933
Leicestershire Safeguarding Children Board	170	0	61
Leicestershire & Rutland Sport	960	700	906
Centre of Excellence	850	850	235
Leics Social Care Development Group	420	420	335
East Midlands Shared Services - Partnership (LCC share)	690	320	510
Strategic Partnership Development Fund (Child Sexual Exploitation)	0	0	127
<b>Total</b>	<b>15,130</b>	<b>6,820</b>	<b>5,902</b>

\* 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; £5m still to be invested

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**Capital Budget 2016/17 – Main Variances****Children and Family Services**

Overall net acceleration of £3.2m has occurred compared with the updated budget. The main variances are:

	<b>£000</b>
<b>School Accommodation</b>	<b>1,465</b>
Acceleration for the new primary school in Birstall (Hallam Fields) where works were completed earlier than anticipated. This scheme was re-profiled earlier in 2016 where a prudent approach was taken, works completed much quicker than planned. The new school will be completed in July 2017 and open at the beginning of the 17/18 academic year.	
<b>Wigston Area Special School</b>	<b>1,092</b>
Acceleration of the new school due to works being completed ahead of schedule. The new school will be completed in July 2017 and open at the beginning of the 2017/18 academic year.	
<b>School Accommodation 10+</b>	<b>883</b>
Acceleration of Structural Changes 10+ scheme as works completed earlier than anticipated. The main schemes that have been accelerated are: Long Whatton Primary School, Oadby Brookside Primary School, Shepshed St Botolph's and Oadby Brocks Hill.	
<b>Strategic Capital Maintenance</b>	<b>-311</b>
Slippage on a number of small projects covering boiler replacement, structural repairs and electrical works.	
<b>Other variances</b>	<b>106</b>
<b>TOTAL</b>	<b>3,235</b>

**Adults & Communities**

Overall net slippage of £0.4m compared with the updated budget. The main variances are:

	<b>£000</b>
<b>Changing Places / Toilets</b>	<b>-214</b>
Hinckley Leisure Centre has been completed in 2016/17 with further schemes being scoped for 2017/18.	
<b>Mobile Libraries</b>	<b>-196</b>
Two vehicles were purchased for £0.1m each rather than the original estimate of £0.2m each. Balance to be carried to fund planned purchase of vehicles in 2017/18.	
<b>Other variances</b>	<b>-4</b>
<b>TOTAL</b>	<b>-414</b>

**Public Health**

The actual expenditure is in line with the updated budget.

**Environment and Transportation - Transport**

Overall net acceleration of £0.9m has occurred compared with the updated budget.

The main variances are:

	<b>£000</b>
<b>A42 Junction 13</b>	<b>-2,417</b>
Slippage due to alignment of works with Highways England Maintenance scheme. As Highways England were carrying out other works on the A42 near the junction, delaying the commencement of works on the scheme until January (originally planned for late summer). Notification was received late. However, overall the scheme is still expected to spend in line with original estimates.	
<b>Strategic Economic Partnership &amp; Advanced Design major</b>	<b>-2,094</b>
Slippage due to several schemes that are to be designed in the new financial year and match funding that is to be aligned with future schemes should the department be successful in obtaining external funding offset by remaining contribution to Leicester North West scheme.	
<b>Lubbesthorpe Strategic Employment Site Access</b>	<b>-1,696</b>
£1.0m underspend and £0.7m slippage. This scheme was able to be divided into a number of specific elements. The works that are being undertaken will end up costing £1m less than the resources originally identified. The scheme is likely to finish in April 2017.	
<b>Fleet Renewal</b>	<b>-1,597</b>
Slippage due to extended lead time for some vehicles. Highway vehicles have unique specifications which can mean a number of months before delivery of the vehicles take place.	
<b>Bridges</b>	<b>-238</b>
Slippage of works at A6 Quorn-Mountsorrell Bypass due to procurement issues (Contractor unable to source new deck joints). Work is planned to start in May 17.	
<b>Flood Alleviation</b>	<b>-198</b>
Underspend due to cost savings and enhanced flood investigations being carried out resulting in the removal and de-scoping of some schemes.	
<b>LED Street Lighting</b>	<b>7,343</b>
Acceleration of spend due to revised profile of works and additional installation gangs that have been contracted.	
<b>M1 Junction 22</b>	<b>1,000</b>
Overspend of £1.0m. Gross additional costs of £1.8m forecast due to Traffic Management constraints working on the strategic road network. As this scheme involved working on the trunk road network, there were additional restrictions on daytime working. This was exacerbated by Government consultations and initiatives around reducing congestion during road works all of which led to the need for additional night working and additional costs. There are additional section 106 developer contributions relating to the Coalville Growth Strategy, for which the M1 J22 is crucial that have been included, £0.8m resulting in a net £1m overspend.	
<b>Carriageway Resurfacing &amp; Surface Dressing</b>	<b>464</b>
Additional resurfacing treatments that were added to the programme (some that were previously funded by revenue) offset by an underspend on surface dressing due to capacity issues.	
<b>Depot Improvements</b>	<b>174</b>
Necessary spend on Health & Safety works and welfare facilities.	
<b>Other variances</b>	<b>129</b>
<b>TOTAL</b>	<b>870</b>



**Environment and Transportation - Waste Management**

Actual slippage of £1.0m compared with the updated budget. The main variances are:

	<b>£000</b>
<b>Coalville Transfer Station</b>	<b>-739</b>
The business case for Coalville Transfer Station is no longer viable and the funding will be returned back to the Environment & Waste earmarked fund to finance future health & safety and improvement works at RHWS.	
<b>Recycling &amp; Household Waste Sites - Improvements</b>	<b>-118</b>
Slippage due to lack of staff resources available to identify, evaluate and implement plans. Linked in part to the transition arrangements arising from the departmental restructure.	
<b>Recycling &amp; Household Waste Sites - Drainage</b>	<b>-148</b>
Slippage due to revised profile of works which are subject to agreement with the	
<b>Other variances</b>	<b>0</b>
<b>TOTAL</b>	<b>-1,005</b>

**Chief Executives**

Overall slippage of £2.1m has occurred compared with the updated budget. The main variances are:

<b>Rural Broadband - Phase 2</b>	<b>-2,075</b>
Slippage due to revised profile of budget. Phase 2 is expected to complete in 2017/18 when the BDUK grant will also be received.	
<b>Other variances</b>	<b>-24</b>
<b>TOTAL</b>	<b>-2,099</b>

**Corporate Resources**

Overall net slippage of £0.8m has occurred compared with the updated budget. The main variances are:

	<b>£000</b>
<b>Corporate ICT</b>	<b>-468</b>
Slippage of £0.4m on the Unified Telephony replacement phase 2 project due to technical issues.	
<b>Replacement of Playing Field - Melton KE VII site</b>	<b>-314</b>
The project was due to re-commence on 13th February, but unable to get on to site due to water logging.	
<b>Industrial Properties</b>	<b>-89</b>
Slippage due to timelines of delivery of projects - design, procurement, delivery - unable to deliver in this financial year due to other Property commitments, premises availability and lead times for the various elements.	
<b>County Farms Estate</b>	<b>150</b>
Acceleration on farm improvements which will enable an increase in rental income in future years.	
<b>Other variances</b>	<b>-74</b>
<b>TOTAL</b>	<b>-795</b>

**Corporate Programme**

Overall net slippage of £4.6m has occurred compared with the updated budget.

The main variances are:

	<b>£000</b>
<b>Corporate Asset Investment Fund (net slippage)</b>	<b>-2,151</b>
Coalville Workspace - revised timescales due to delays in obtaining planning consent and to align with receipt of funding from Growth Deal 2 and the sale of Workspace 17 site.	
<b>Loughborough University Science Enterprise Park</b>	<b>-1,380</b>
Loughborough University is reviewing the project resulting in a revised profile of spend.	
<b>Rural Workspace</b>	<b>-928</b>
Delays have occurred in achieving planning permission on the three schemes at Billesdon, Leaders Farm Lutterworth, and Quorn, resulting in a revised project timetable and spend in 2017/18.	
<b>Countesthorpe, The Drive - Nursery re-provision</b>	<b>-500</b>
Slippage pending a review of the scheme and options.	
<b>Loughborough, Pennine House Area Office</b>	<b>-245</b>
Enabling works undertaken in year, but phase 1 works will now not take place until April 2017.	
<b>County Hall Maintenance</b>	<b>-193</b>
Work now started on replacement of windows in Rutland building, but bulk of work (and corresponding budget) has slipped into 2017/18. The first phase of the work was completed by year end.	
<b>Energy Strategy</b>	<b>485</b>
Acceleration of programme on a variety of small scale energy efficiency measures including boilers, heating controls and LED lighting upgrades.	
<b>Ibstock Farm, Station Road</b>	<b>125</b>
Unanticipated works on farm and related land to provide concrete culvert through the middle of a working farm and creation of a new feeding area to ensure herd could be milked. These improvement works should increase the asset value.	
<b>Other variances</b>	<b>159</b>
<b>TOTAL</b>	<b>-4,628</b>

**APPENDIX F****PRUDENTIAL INDICATORS 2016/17**

	<b>Original Indicator</b>	<b>Forecast as at 16/01/2017</b>	<b>Provisional Actual as at 31/03/2017</b>
Actual Capital Financing Costs as a % of Net Revenue Stream	7.39%	7.31%	7.19%
Capital Expenditure (£000's) (excluding Schools devolved formula capital)	107,700	101,700	98,143
Operational Limit for External Debt (£000's)	276,000	276,000	276,000
Authorised Limit for External Debt (£000')	286,000	286,000	286,000
Interest Rate Exposure – Fixed	50-100%	100%	100 %
Interest Rate Exposure – Variable	0-50%	0%	0 %
Capital Financing Requirement (£000's)	266,000	268,000	267,718
Actual debt as at 31/3/2017 (£000's)			274,600

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**SCRUTINY COMMISSION: 19<sup>TH</sup> JULY 2017**

**REPORT OF THE CHIEF EXECUTIVE**

**STRATEGIC PLAN AND SINGLE OUTCOMES FRAMEWORK**

**Purpose of report**

1. The purpose of this report is to inform the Scrutiny Commission of the County Council's revised Strategic Plan and seek views on the strategic outcomes the Council has identified as its priorities for Leicestershire.

**Policy Framework and Previous Decisions**

2. On 23rd June 2017 Leicestershire County Council's Cabinet approved five priority outcomes for inclusion in its revised Strategic Plan and a six week stakeholder engagement process.
3. The current Strategic Plan, covering the period 2014 – 2018, was approved by the County Council in May 2014.
4. The Council's Strategic Plan is underpinned by a number of other key policies and strategies including the Medium Term Financial Strategy, Commissioning and Procurement Strategy and the Transformation Programme.
5. The Strategic Plan outlines the Council's long-term vision for the organisation and the people and place of Leicestershire. The council has adopted an outcomes based approach to focus on the difference it can make.

**Background**

6. Since the Council approved the current Strategic Plan for 2014 – 18 in May 2014 there have been two further iterations of the Council's Medium Term Financial Strategy (MTFS) which have sought to address the additional financial pressures placed on the Council.
7. Leicestershire County Council has developed its new single outcomes framework by focussing on the things that will make life better for people in Leicestershire. It has developed a shared vision across the Council of the outcomes it wants people to experience in the county.
8. A clear vision for the place and its people will strengthen the Council's leadership role. It will enable the Council to have a more joined up approach to delivery.
9. In developing this vision the Council has made a commitment to working together across different services and with partners to make best use of all the resources available. By investing in local priorities it aims to deliver real and lasting benefits for Leicestershire and its people.

10. The outcomes are aspirational and seek to outline the end results that the Council wants to see for the people of Leicestershire. The Council alone cannot deliver all the change that will be needed but is seeking to understand the issues where it is the lead organisation or has significant influence to drive positive change. Through collaboration with partners to coordinate and integrate its plans the Council hopes to have maximum impact in addressing the most pressing problems that the county faces.
11. This vision has been informed by evidence of the current baselines and trends for Leicestershire, existing partnership commitments and national statutory requirements and measures.

### **Proposals/Options**

12. The vision, principles and outcomes framework have been developed through extensive engagement across the Council and reviews of evidence, insight and existing policy commitments.
13. Five priority outcomes have been developed using a range of evidence and population data as well as qualitative evidence from service users and residents surveys. They have also been influenced by existing strategies which in turn have been subject to extensive engagement and public consultation and by input from Chief Officers and senior managers from across the Council. The Strategic Plan brings together this information to provide a brief, high level overview of the Council's priorities and approach for the next four years.
14. The five proposed priority outcomes are:
  - O1 - Strong Economy**  
Leicestershire's economy is growing and resilient so that people and businesses can fulfil their potential.
  - O2 - Wellbeing and Opportunity**  
The people of Leicestershire have the opportunities and support they need to take control of their health and wellbeing.
  - O3 - Keeping People Safe**  
People in Leicestershire are safe and protected from harm.
  - O4 - Great Communities**  
Leicestershire communities are thriving and integrated places where people help and support each other and take pride in their local area.
  - O5 - Affordable and Quality Homes**  
Leicestershire has a choice of quality homes that people can afford.
15. A Strategic Plan discussion paper (Appendix 1) has been prepared which includes the Council's draft vision and principles, the five high-level strategic outcomes and more detailed priority outcomes with some narrative to describe what the focus of each outcome. The discussion paper provides an outline of what will be included in

the final version of the Strategic Plan for comment. A number of questions have been included to provide a structure for partner feedback.

### **Consultation**

16. The Council's Cabinet has agreed that the development of the final Strategic Plan will be informed by engagement with key stakeholders and partnerships.
17. The engagement will be undertaken between the end of June and early August 2017. The primary method of engagement will seek views through a targeted mailing of a discussion paper and consultation questionnaire. This will ask for feedback on the proposed strategic outcomes and priority sub-outcomes, and also provide the opportunity to test the alignment of Council outcomes with the priorities of key partners and stakeholders.

### **Resource Implications**

18. The need for any additional Council resources to implement an outcomes-based approach will be considered in finalising the Strategic Plan. It is anticipated, however, that the implementation of the Single Outcomes Framework will enable more effective deployment and targeting of the Council's existing resources.

### **Timetable for Decisions**

19. It is intended that, following the stakeholder engagement, the final draft Strategic Plan will be submitted to the Council's Cabinet on 15 September. The Scrutiny Commission, at its meeting on 13 September, will have an opportunity to make any final comments.
20. As the Strategic Plan is part of the Authority's Policy Framework (as defined in the Constitution) any changes will need to be approved by the full Council. It is intended that it will be submitted to the County Council meeting on 27 September 2017.

### **Background papers**

Report to the Cabinet on 19 April 2016 "Review of the County Council's Strategic Plan – Embedding a new approach to transformation and commissioning" -

<http://politics.leics.gov.uk/documents/s118089/Review%20of%20Strategic%20Plan%20-%20Transformation%20and%20Commissioning.pdf>

County Council Strategic Plan 2014 – 2018 - <http://ow.ly/ZQG4Y>

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

None

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### **List of Appendices**

Appendix A – Strategic Plan Discussion Paper  
Appendix B – Equality and Human Rights Impacts Screening Assessment

### **Relevant Impact Assessments**

#### Equality and Human Rights Implications

See above.

#### Crime and Disorder Implications

21. None

#### Environmental Implications

22. None

#### Partnership Working and associated issues

23. Working in partnership is essential to delivering against an outcomes-based approach.

#### Risk Assessment

24. None



# **Making a difference in Leicestershire: The County Council's Strategic Plan and Single Outcomes Framework 2017-21**

## **Discussion document for stakeholder engagement**

### **Background**

Leicestershire is already a very good place to live and work. We do better than the national average on a number of measures, including the health of people in the county, life expectancy, the unemployment rate, the number of children in care and on violent crime. Leicestershire has distinct market towns and scenic countryside, as well as being in close proximity to the city of Leicester, with great connectivity to major population centres.

However, there are a number of challenges to the County Council in the future. It is projected that the population will grow 13% between 2015 and 2037, with growth expected to be concentrated in the over-65s and particularly those over 85. The number of people of working age is expected to decrease. It is also true that, while Leicestershire performs well on many health indicators, this is not uniformly true across the county, with some areas performing worse on some indicators than others, and there are specific conditions for which Leicestershire performs badly, such as the prevalence of diabetes and the percentage of children achieving a good level of development at the end of reception year. The Leicester and Leicestershire Housing and Economic Development Needs Assessment has identified that to meet the needs of a growing population, 117,900 homes are needed between 2011 and 2036; this equates to 4,716 new homes per year across the city and county area.

The County Council is operating in a very challenging environment of increasing demand and reducing resources. Delivering the Council's Medium Term Financial Strategy requires £66m of savings to be made from 2017/18 to 2020/21. This includes £25m of unavoidable cost pressures, primarily to meet the forecast increase in demand for social care.

### **Introduction**

Leicestershire County Council has developed this Strategic Plan by focussing on the things that will make life better for people in Leicestershire. We have developed a shared vision across the Council of the outcomes we want people to experience.

A clear vision for our place and its people will strengthen the Council's leadership role. It will enable the Council to have a more joined up approach to delivery.

In developing this vision we have made a commitment to working together across different services and with others to make best use of all the resources available. By investing in local priorities we aim to deliver real and lasting benefits for Leicestershire and its people.

The outcomes are aspirational and seek to outline the end results that we want to see for the people of Leicestershire. The Council alone cannot deliver all the change that will be needed but is seeking to understand the issues where it is the lead organisation or has significant influence to drive positive change. Through collaboration with our partners to coordinate and integrate our plans we hope to have maximum impact in addressing the most pressing problems that we face.

This vision has been informed by evidence of the current baselines and trends for Leicestershire, existing partnership commitments and national statutory requirements and measures.

## **Vision**

'Leicestershire has a strong economy, people are well and safe, we have great communities and quality homes are affordable.

We are a strong, sustainable and successful organisation leading modern, highly effective services – which empower people to be independent, fulfilled and healthy in their own lives.

We have built strong, trusted relationships with our partners, customers and communities to improve people's lives - now and in the future.'

## **Question**

**1. To what extent do you agree or disagree with the County Council's proposed vision for Leicestershire?**

- a) Why do you say this?
- b) Is there anything else you think we should consider?

## **Principles which guide our work**

- We make the best use of all the resources available to get the best return
- We make good decisions, based on evidence of what works and try new things
- We have outstanding staff who aim high to make a real difference – focusing on the outcomes for people not just the delivery
- We work together with partners, communities and residents to build on our existing strengths

- We listen to and empower local people; keep them informed and involve them in our plans
- We contribute positively to the environment and are committed to equality

### **Question**

**2. To what extent do you think our principles will help us to deliver our vision?**

- a) Why do you say this?**
- b) Is there anything else you think we should consider?**

### **The Outcomes**

The Council has developed five strategic outcomes that we think are essential for good quality of life in Leicestershire.

#### **Strong Economy**

Leicestershire's economy is growing and resilient so that people and businesses can fulfil their potential.

#### **Wellbeing and Opportunity**

The people of Leicestershire have the opportunities and support they need to take control of their health and wellbeing.

#### **Keeping People Safe**

People in Leicestershire are safe and protected from harm.

#### **Great Communities**

Leicestershire communities are thriving and integrated places where people help and support each other and take pride in their local area.

#### **Affordable and Quality Homes**

Leicestershire has a choice of quality homes that people can afford.

### **Question**

**3. Do you agree with the five strategic outcomes for Leicestershire?**

- a) Why do you say this?**
- b) Is there anything else you think we should consider?**

For each strategic outcome we have identified priority areas where we think the Council should focus its efforts.

## **Strong Economy**

**Leicestershire's economy is growing and resilient so that people and businesses can fulfil their potential.**

- **Leicestershire has a highly skilled and employable workforce.**
- **Leicestershire is well connected county.**
- **Leicestershire has attractive places and an enhanced environment.**
- **Businesses are supported to flourish.**

This outcome will focus on ensuring there is a thriving and balanced, inclusive economy for Leicestershire that provides employment, business opportunities and growth that works for everyone. Ensuring that people have the skills and aptitudes to access employment will help businesses to grow and provide a more inclusive economy that supports independence. People and businesses need infrastructure that provides excellent connectivity (digitally, physically, socially) to meet their every-day needs. Attractive towns, villages and the surrounding countryside enhance the profile of Leicestershire as a place to live, work and do business which encourages investment and provides the right environment for businesses to grow and flourish now and in the future.

### **Question**

4. **Do you agree that the priorities identified will help to deliver the strategic outcome?**
  - a) **Is there anything else you think we should consider?**
  - b) **How well does this align with your own organisational strategy?**

## **Wellbeing and Opportunity**

**The people of Leicestershire have the opportunities and support they need to take control of their health and wellbeing.**

- **There is equality in health and wellbeing outcomes for different people and places in Leicestershire**
- **Children are living in families and get the best start in life**
- **There is access to high quality education for everyone to support their wellbeing**
- **People plan ahead to age well with independence and connection to their community throughout their lives**
- **People receive seamless, integrated support to maximise their independence and meet their needs where family and community cannot**

The Council has a key role in ensuring good life chances for all by reducing inequalities in educational attainment and health and wellbeing. Although some people can fulfil their potential by themselves, others need help, sometimes throughout their lives. Ensuring our children get the best start in life is a priority as it is also an investment in our future. We want people to be enabled take control of their health and wellbeing and to be as independent as possible but receive the right support, in the right place, at the right time when they need it. The Council can also support the wider population to stay well through prevention and early intervention and through its services that contribute health and wellbeing such as the environment, housing, employment and education.

### **Question**

- 5. Do you agree that the priorities identified will help to deliver the strategic outcome?**
- a) **Is there anything else you think we should consider?**  
 b) **How well does this align with your own organisational strategy?**

### **Keeping People Safe**

**People in Leicestershire are safe and protected from harm.**

- **People with health and social care needs in Leicestershire are safeguarded**
- **Children and young people in Leicestershire are living in families safe and free from harm**
- **People in Leicestershire are safe in their daily lives**
- **Leicestershire residents, businesses and communities are prepared for emergencies**

This outcome covers people feeling secure and being safe and protected from harm. Within its scope are the Council's statutory responsibilities for safeguarding adults with care needs and children. People need to feel safe in their daily lives to enjoy good quality of life, both at home and whilst out and about in the county and their community. Preparing for emergencies and responding to and recovering from incidents such as flooding and other threats is important for preventing harm to Leicestershire's communities.

**Question**

6. Do you agree that the priorities identified will help to deliver the strategic outcome?
- a) Is there anything else you think we should consider?
  - b) How well does this align with your own organisational strategy?

**Great Communities**

Leicestershire communities are thriving and integrated places where people help and support each other and take pride in their local area.

- Diversity is celebrated in Leicestershire communities: people integrate, feel welcome and are included
- Communities participate in the design and delivery of initiatives and plans for the future
- Local cultural, historical and natural heritage is celebrated and conserved

This outcome reflects the importance of good quality, thriving neighbourhoods. We want communities that embrace diversity with a strong sense of place, celebrating culture and heritage and the protection of the county's high quality environment. It is important that communities are involved in shaping and providing local opportunities for involvement. The Council must be responsive and reflect the assets and needs of communities to ensure services build on local strengths - helping communities to help themselves.

**Question**

7. Do you agree that the priorities identified will help to deliver the strategic outcome?
- a) Is there anything else you think we should consider?
  - b) How well does this align with your own organisational strategy?

**Affordable and Quality Homes**

Leicestershire has a choice of quality homes that people can afford.

- Leicestershire has the right number and type of homes to meet needs and support economic growth

- **There is enough suitable housing to support independence for those with social care needs**
- **Development has a positive impact on the environment and existing communities**

Housing is a key enabler to delivering the other outcomes as a secure, quality, appropriate and affordable home is essential for good quality of life. Housing matters – it influences people’s security, health, access to education and employment and can enable the effective provision of care. This outcome addresses the need for sufficient housing of a range of types and tenure, including for those in need of care, either in specialist care or within their own home. Quality housing should ensure sustainability in terms of the environment, infrastructure and links with existing communities and be affordable to own or rent and run.

### **Question**

- 8. Do you agree that the priorities identified will help to deliver the strategic outcome?**
- a) Is there anything else you think we should consider?**
  - b) How well does this align with your own organisational strategy?**

### **Our Approach**

Delivering against the outcomes will require changes to how the Council works.

The Council’s policy framework, business processes and governance will need to be aligned to the commitments outlined above. There will be a period of transition as we move to a more outcomes-focussed approach and consider the level of change that is required and possible.

The way we deploy our resources will be driven by this vision. The Council’s financial planning, workforce strategy, commissioning decisions and business planning processes will need to demonstrate how they will support the delivery of the priority outcomes.

### **Measuring progress**

The Council will build on its existing performance reporting to develop a robust performance management framework to measure progress against the outcomes for the population of Leicestershire, the effectiveness of our programmes of work and

how effectively we have performed as an organisation in deploying our resources to achieve the change we want to see.

Regular reports will be delivered to County Council members, Chief Officers and other senior managers. An annual performance report against the outcomes will be publicly available.

**Any other Comments**

**9. Do you have any other comments on the Leicestershire County Council draft outcomes framework?**



<b>Strategic Outcomes</b>	<p><b>Strong Economy</b></p> <p>Leicestershire's economy is growing and resilient so that people and businesses can fulfil their potential.</p>	<p><b>Wellbeing and Opportunity</b></p> <p>The people of Leicestershire have the opportunities and support they need to take control of their health and wellbeing.</p>	<p><b>Keeping People Safe</b></p> <p>People in Leicestershire are safe and protected from harm.</p>	<p><b>Great Communities</b></p> <p>Leicestershire communities are thriving and integrated places where people help and support each other and take pride in their local area.</p>	<p><b>Affordable and Quality Homes</b></p> <p>Leicestershire has a choice of quality homes that people can afford.</p>
<b>Priorities for success</b>	<p>Leicestershire has a highly skilled and employable workforce.</p> <p>Leicestershire is a well connected county.</p> <p>Leicestershire has attractive places and an enhanced environment.</p> <p>Businesses are supported to flourish.</p>	<p>There is equality in health and wellbeing outcomes for different people and places in Leicestershire</p> <p>Children are living in families and get the best start in life</p> <p>There is access to high quality education and learning for everyone to support their wellbeing</p> <p>People plan ahead to age well with independence and connection to their community throughout their lives</p> <p>People receive seamless, integrated support to maximise their independence and meet their needs where family and community cannot</p>	<p>People with health and social care needs in Leicestershire are safeguarded</p> <p>Children and young people in Leicestershire are living in families safe and free from harm</p> <p>People in Leicestershire are safe in their daily lives</p> <p>Leicestershire residents, businesses and communities are prepared for emergencies</p>	<p>Diversity is celebrated in Leicestershire communities: people integrate, feel welcome and are included</p> <p>Communities participate in the design and delivery of initiatives and plans for the future</p> <p>Local cultural, historical and natural heritage is celebrated and conserved</p>	<p>Leicestershire has the right number and type of homes to meet needs and support economic growth</p> <p>There is enough suitable housing to support independence for those with social care needs</p> <p>Development has a positive impact on the environment and existing communities</p>

## **Engagement Questions**

We seek the views of partners on the following questions.

### **Our Vision**

1. To what extent do you agree or disagree with the County Council's proposed vision for Leicestershire?
  - a) Why do you say this?
  - b) Is there anything else you think we should consider?

### **Our Principles**

2. To what extent do you think our principles will help us to deliver our vision?
  - a) Why do you say this?
  - b) Is there anything else you think we should consider?

### **The Outcomes**

3. Do you agree with the five strategic outcomes for Leicestershire?
  - a) Why do you say this?
  - b) Is there anything else you think we should consider?

### **For Each outcome:**

4. to 8. Do you agree that the priorities identified will help to deliver the strategic outcome?
  - a) Is there anything else you think we should consider?
  - b) How well does this align with your own organisational strategy?

### **Any other Comments**

9. Do you have any other comments on the Leicestershire County Council draft outcomes framework?

## Equality & Human Rights Impact Assessment (EHRIA)

This Equality and Human Rights Impact Assessment (EHRIA) will enable you to assess the **new, proposed or significantly changed** policy/ practice/ procedure/ function/ service\*\* for equality and human rights implications.

Undertaking this assessment will help you to identify whether or not this policy/ practice/ procedure/ function/ service\*\* may have an adverse impact on a particular community or group of people. It will ultimately ensure that as an Authority we do not discriminate and we are able to promote equality, diversity and human rights.

Before completing this form please refer to the EHRIA [guidance](#), for further information about undertaking and completing the assessment. For further advice and guidance, please contact your [Departmental Equalities Group](#) or [equality@leics.gov.uk](mailto:equality@leics.gov.uk)

*\*\*Please note: The term 'policy' will be used throughout this assessment as shorthand for policy, practice, procedure, function or service.*

<b>Key Details</b>	
<b>Name of policy being assessed:</b>	Single Outcomes Framework
<b>Department and section:</b>	Policy, Economy and Communities, Chief Executive's Department
<b>Name of lead officer/ job title and others completing this assessment:</b>	Donna Worship, Policy Manager  Matthew Jones, Policy Officer
<b>Contact telephone numbers:</b>	0116 305 3117
<b>Name of officer/s responsible for implementing this policy:</b>	Tom Purnell
<b>Date EHRIA assessment started:</b>	16 <sup>th</sup> May 2017
<b>Date EHRIA assessment completed:</b>	

## Section 1: Defining the policy

### Section 1: Defining the policy

You should begin this assessment by defining and outlining the scope of this policy. You should consider the impact or likely impact of the policy in relation to all areas of equality, diversity and human rights, as outlined in Leicestershire County Council's Equality Strategy.

<p><b>1</b></p>	<p>What is new or changed in this policy? <i>What has changed and why?</i></p> <p>The Single Outcomes Framework will replace the current Strategic Plan. It will set the strategic direction of the council.</p> <p>An Outcomes focus will be different from the current strategy because it will focus on what we want for the people of Leicestershire, rather than on services and what the Council delivers.</p>
<p><b>2</b></p>	<p>Does this relate to any other policy within your department, the Council or with other partner organisations? <i>If yes, please reference the relevant policy or EHRIA. If unknown, further investigation may be required.</i></p> <p>Yes, this will be part of the Council's plan framework and, as such, will impact on all council strategies.</p>
<p><b>3</b></p>	<p>Who are the people/ groups (target groups) affected and what is the intended change or outcome for them?</p> <p>The outcomes focus on the conditions we want to create for all of Leicestershire's residents. The outcomes will be aimed at the population rather than at service users.</p> <p>The SOF should have positive impacts across the 5 outcomes for everyone:</p> <ul style="list-style-type: none"> <li>- A Strong Economy</li> <li>- Wellbeing and Opportunity</li> <li>- Keeping People Safe</li> <li>- Great Communities</li> <li>- Affordable and Quality Homes</li> </ul> <p>The SOF work will include principles/values and the promotion of equalities will be included as part of this.</p> <p>The Outcomes Framework won't replace existing policies (other than the current Strategic Plan), projects or processes that currently exist.</p> <p>Where plans, strategies or activities are reviewed in line with the SOF, they will be the subject of separate EHRIAs.</p> <p>The engagement with strategic partners will allow officers to take into account the view of a range of different people.</p>

4	Will this policy meet the Equality Act 2010 requirements to have due regard to the need to meet any of the following aspects? <b>(Please tick and explain how)</b>			
		<b>Yes</b>	<b>No</b>	<b>How?</b>
	Eliminate unlawful discrimination, harassment and victimisation	X		One of the principles which leads the council's approach is equality. In the <i>Keeping People Safe</i> outcome, a number of potential areas of priority were identified including Hate Crime, Toxic Trio and supporting vulnerable sections of society.
	Advance equality of opportunity between different groups	X		A common theme so far in our engagement with staff to determine the content of the SOF indicates that tackling inequalities will be a priority.
	Foster good relations between different groups	X		The draft outcomes include <i>Great Communities</i> . In discussions for developing this outcome, 'celebrating and supporting inclusion and cohesion' was one of the themes identifies as an element of 'great communities'.

## Section 2: Equality and Human Rights Impact Assessment (EHRIA) Screening

### Section 2: Equality and Human Rights Impact Assessment Screening

The purpose of this section of the assessment is to help you decide if a full EHRIA is required.

If you have already identified that a full EHRIA is needed for this policy/ practice/ procedure/ function/ service, either via service planning processes or other means, then please go straight to [Section 3](#) on Page 7 of this document.

### Section 2

#### A: Research and Consultation

5.	Have the target groups been consulted about the following?	<b>Yes</b>	<b>No*</b>
	a) their current needs and aspirations and what is important to them;	<b>x</b>	
	b) any potential impact of this change on them (positive and negative, intended and unintended);	<b>x</b>	

	c) potential barriers they may face	x	
6.	If the target groups have not been consulted directly, have representatives been consulted or research explored (e.g. Equality Mapping)?	x	
7.	Have other stakeholder groups/ secondary groups (e.g. carers of service users) been explored in terms of potential unintended impacts?	x	
8.	<p>*If you answered 'no' to the question above, please use the space below to outline what consultation you are planning to undertake, or why you do not consider it to be necessary.</p> <p><b>Although there has not been consultation for the development of the single outcomes framework it has been built on the conclusions and evidence from extensive engagement for other strategies and needs assessments. Some examples include:</b></p> <p>Joint Strategic Needs Assessment  Housing and Economic Development Needs Assessment  Community Survey  Adults and Communities Social Care Strategy  Communities and Wellbeing Strategy  Older People's Accommodation Strategy  Working Age Adults Accommodation Strategy  Flood Risk Management Strategy  Environment and Transport interim commissioning strategy</p> <p>Phase 1 of the planned engagement exercise will take place in the Summer of 2017. This will be focused on partners, stakeholders, suppliers and partnerships, and will seek views of the priority outcomes and whether they align with the priorities of these partners.</p> <p>Members will be consulted through presentation to Cabinet in June 2017 and the views of members will be sought during the engagement period.</p> <p>County Council staff have been engaged during the process so far through a steering group which is made up of Senior Managers from across the authority. The outcomes have also been subject of discussion at Senior Managers' Conference on 16<sup>th</sup> December 2016. Challenge sessions for each of the Outcomes have been held, with representation from all departments.</p> <p>Phase 2 of the engagement plan would be concerned with delivery methods. This would likely take place in Autumn 2017. Engagement with the same groups would take place, but with an emphasis on the Council's role in delivering the Outcomes and the mechanisms/collaboration required for this.</p>		

## Section 2

### B: Monitoring Impact

9.	Are there systems set up to:  a) monitor impact (positive and negative, intended and unintended) for different groups;  b) enable open feedback and suggestions from different communities	<b>Yes</b>	<b>No</b>
		<b>X</b>	
		<b>X</b>	

**Note: If no to Question 8, you will need to ensure that monitoring systems are established to check for impact on the protected characteristics.**

## Section 2

### C: Potential Impact

10.	Use the table below to specify if any individuals or community groups who identify with any of the ' <a href="#">protected characteristics</a> ' may <u>potentially</u> be affected by this policy and describe any positive and negative impacts, including any barriers.		
	<b>Yes</b>	<b>No</b>	<b>Comments</b>
	<b>Age</b>	<b>X</b>	A number of potential areas of focus include issues specific to disadvantages relating to age such as education and qualifications, planning to stay healthy into old age, the safety of young people and housing.
	<b>Disability</b>	<b>X</b>	A number of issues relating to disability have been raised in discussions such as employment levels and broader social care themes.
	<b>Gender Reassignment</b>	<b>X</b>	There is no specific reference to this characteristic but <i>different groups of people getting on well together</i> has been highlighted as an area of priority.
	<b>Marriage and Civil Partnership</b>	<b>X</b>	There is no specific reference to this characteristic but <i>different groups of people getting on well together</i> has been highlighted as an area of priority.
	<b>Pregnancy and Maternity</b>	<b>X</b>	Giving children the best start in life relates to pregnancy and maternity care
	<b>Race</b>	<b>X</b>	There is no specific reference to this characteristic but <i>different groups of people getting on well together</i> has been highlighted as an area of priority.
	<b>Religion or Belief</b>	<b>X</b>	There is no specific reference to this characteristic but <i>different</i>

				<i>groups of people getting on well together</i> has been highlighted as an area of priority.
	<b>Sex</b>	<b>X</b>		There is no specific reference to this characteristic but <i>different groups of people getting on well together</i> has been highlighted as an area of priority.
	<b>Sexual Orientation</b>	<b>X</b>		There is no specific reference to this characteristic but <i>different groups of people getting on well together</i> has been highlighted as an area of priority.
	<b>Other groups e.g. rural isolation, deprivation, health inequality, carers, asylum seeker and refugee communities, looked after children, deprived or disadvantaged communities</b>	<b>X</b>		Discussions have highlighted a number of issues including inequalities within Leicestershire.  Existing Council duties and strategies regarding equalities will be unaffected by the Outcomes Framework.
	<b>Community Cohesion</b>	<b>X</b>		<i>Great Communities</i> is one of the draft outcomes and the <i>Communities Strategy</i> will remain an important part of council policy.
<b>11.</b>	<p>Are the human rights of individuals <u>potentially</u> affected by this proposal? Could there be an impact on human rights for any of the protected characteristics? <b>(Please tick)</b></p> <p>Explain why you consider that any particular <a href="#">article in the Human Rights Act</a> may apply to your policy/ practice/ function or procedure and how the human rights of individuals are likely to be affected below: [NB. Include positive and negative impacts as well as barriers in benefiting from the above proposal]</p>			
		<b>Yes</b>	<b>No</b>	<b>Comments</b>
<b>Part 1: The Convention- Rights and Freedoms</b>				
	<b>Article 2: Right to life</b>		<b>X</b>	
	<b>Article 3: Right not to be tortured or treated in an inhuman or degrading way</b>		<b>X</b>	
	<b>Article 4: Right not to be subjected to slavery/ forced labour</b>		<b>X</b>	



	<b>Article 5: Right to liberty and security</b>		<b>X</b>	
	<b>Article 6: Right to a fair trial</b>		<b>X</b>	
	<b>Article 7: No punishment without law</b>		<b>X</b>	
	<b>Article 8: Right to respect for private and family life</b>		<b>X</b>	
	<b>Article 9: Right to freedom of thought, conscience and religion</b>		<b>X</b>	
	<b>Article 10: Right to freedom of expression</b>		<b>X</b>	
	<b>Article 11: Right to freedom of assembly and association</b>		<b>X</b>	
	<b>Article 12: Right to marry</b>		<b>X</b>	
	<b>Article 14: Right not to be discriminated against</b>		<b>X</b>	
<b>Part 2: The First Protocol</b>				
	<b>Article 1: Protection of property/ peaceful enjoyment</b>		<b>X</b>	
	<b>Article 2: Right to education</b>		<b>X</b>	
	<b>Article 3: Right to free elections</b>		<b>X</b>	
<b>Section 2</b>				
<b>D: Decision</b>				
<b>12.</b>	Is there evidence or any other reason to suggest that:	<b>Yes</b>	<b>No</b>	<b>Unknown</b>
	a) this policy could have a different affect or adverse impact on any section of the community;		<b>x</b>	
	b) any section of the community may face barriers in benefiting from the proposal		<b>x</b>	
<b>13.</b>	Based on the answers to the questions above, what is the likely impact of this policy			
	No Impact <input type="checkbox"/>	Positive Impact <input checked="" type="checkbox"/>	Neutral Impact <input type="checkbox"/>	Negative Impact or Impact Unknown <input type="checkbox"/>
<b>Note: If the decision is 'Negative Impact' or 'Impact Not Known' an EHRIA Report is required.</b>				

14.	Is an EHRIA report required?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
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### Section 2: Completion of EHRIA Screening

Upon completion of the screening section of this assessment, you should have identified whether an EHRIA Report is required for further investigation of the impacts of this policy.

**Option 1:** If you identified that an EHRIA Report is required, continue to [Section 3](#) on Page 7 of this document to complete.

**Option 2:** If there are no equality, diversity or human rights impacts identified and an EHRIA report is not required, continue to [Section 4](#) on Page 14 of this document to complete.

## Section 3: Equality and Human Rights Impact Assessment (EHRIA) Report

### Section 3: Equality and Human Rights Impact Assessment Report

This part of the assessment will help you to think thoroughly about the impact of this policy and to critically examine whether it is likely to have a positive or negative impact on different groups within our diverse community. It is also to identify any barriers that may detrimentally affect under-represented communities or groups, who may be disadvantaged by the way in which we carry out our business.

Using the information gathered either within the EHRIA Screening or independently of this process, this EHRIA Report should be used to consider the impact or likely impact of the policy in relation to all areas of equality, diversity and human rights as outlined in Leicestershire County Council's Equality Strategy.

### Section 3

#### A: Research and Consultation

When considering the target groups it is important to think about whether new data needs to be collected or whether there is any existing research that can be utilised.

15.	<p>Based on the gaps identified either in the EHRIA Screening or independently of this process, <u>how</u> have you now explored the following and <u>what</u> does this information/data tell you about each of the diverse groups?</p> <ul style="list-style-type: none"> <li>a) current needs and aspirations and what is important to individuals and community groups (including human rights);</li> <li>b) likely impacts (positive and negative, intended and unintended) to individuals and community groups (including human rights);</li> <li>c) likely barriers that individuals and community groups may face (including human rights)</li> </ul>
16.	<p>Is any further research, data collection or evidence required to fill any gaps in your understanding of the potential or known affects of the policy on target groups?</p>
<p>When considering who is affected by this proposed policy, it is important to think about consulting with and involving a range of service users, staff or other stakeholders who may be affected as part of the proposal.</p>	
17.	<p>Based on the gaps identified either in the EHRIA Screening or independently of this process, <u>how</u> have you further consulted with those affected on the likely impact and <u>what</u> does this consultation tell you about each of the diverse groups?</p>

<b>18.</b>	Is any further consultation required to fill any gaps in your understanding of the potential or known effects of the policy on target groups?

**Section 3****B: Recognised Impact**

<b>19.</b>	Based on any evidence and findings, use the table below to specify if any individuals or community groups who identify with any 'protected characteristics' are <u>likely</u> be affected by this policy. Describe any positive and negative impacts, including what barriers these individuals or groups may face.	
		<b>Comments</b>
	<b>Age</b>	
	<b>Disability</b>	
	<b>Gender Reassignment</b>	
	<b>Marriage and Civil Partnership</b>	
	<b>Pregnancy and Maternity</b>	

	<b>Race</b>	
	<b>Religion or Belief</b>	
	<b>Sex</b>	
	<b>Sexual Orientation</b>	
	<b>Other groups</b> e.g. rural isolation, deprivation, health inequality, carers, asylum seeker and refugee communities, looked after children, deprived or disadvantaged communities	
	<b>Community Cohesion</b>	

<b>20.</b>	Based on any evidence and findings, use the table below to specify if any particular Articles in the Human Rights Act are <u>likely</u> apply to your policy. Are the human rights of any individuals or community groups affected by this proposal? Is there an impact on human rights for any of the protected characteristics?	
		<b>Comments</b>
	<b>Part 1: The Convention- Rights and Freedoms</b>	
	<b>Article 2: Right to life</b>	
	<b>Article 3: Right not to be tortured or treated in an inhuman or degrading way</b>	
	<b>Article 4: Right not to be subjected to slavery/ forced labour</b>	
	<b>Article 5: Right to liberty and security</b>	
	<b>Article 6: Right to a fair trial</b>	

	<b>Article 7: No punishment without law</b>	
	<b>Article 8: Right to respect for private and family life</b>	
	<b>Article 9: Right to freedom of thought, conscience and religion</b>	
	<b>Article 10: Right to freedom of expression</b>	
	<b>Article 11: Right to freedom of assembly and association</b>	
	<b>Article 12: Right to marry</b>	
	<b>Article 14: Right not to be discriminated against</b>	
	<b>Part 2: The First Protocol</b>	
	<b>Article 1: Protection of property/ peaceful enjoyment</b>	
	<b>Article 2: Right to education</b>	
	<b>Article 3: Right to free elections</b>	
<b>Section 3</b>		
<b>C: Mitigating and Assessing the Impact</b>		
Taking into account the research, data, consultation and information you have reviewed and/or carried out as part of this EHRIA, it is now essential to assess the impact of the policy.		
<b>21.</b>	If you consider there to be actual or potential adverse impact or discrimination, please outline this below. State whether it is justifiable or legitimate and give reasons.	
N.B.		
i) If you have identified adverse impact or discrimination that is <u>illegal</u> , you are required to take action to remedy this immediately.		
ii) If you have identified adverse impact or discrimination that is <u>justifiable or legitimate</u> ,		

you will need to consider what actions can be taken to mitigate its effect on those groups of people.	
<b>22.</b>	<p>Where there are potential barriers, negative impacts identified and/or barriers or impacts are unknown, please outline how you propose to minimise all negative impact or discrimination.</p> <ul style="list-style-type: none"> <li>a) include any relevant research and consultations findings which highlight the best way in which to minimise negative impact or discrimination</li> <li>b) consider what barriers you can remove, whether reasonable adjustments may be necessary, and how any unmet needs that you have identified can be addressed</li> <li>c) if you are not addressing any negative impacts (including human rights) or potential barriers identified for a particular group, please explain why</li> </ul>
<b>Section 3</b>	
<b>D: Making a decision</b>	
<b>23.</b>	Summarise your findings and give an overview as to whether the policy will meet Leicestershire County Council's responsibilities in relation to equality, diversity, community cohesion and human rights.

<b>Section 3</b>	
<b>E: Monitoring, evaluation &amp; review of your policy</b>	
<b>24.</b>	Are there processes in place to review the findings of this EHRIA and make appropriate changes? In particular, how will you monitor potential barriers and any positive/ negative impact?

<b>25.</b>	How will the recommendations of this assessment be built into wider planning and review processes? <i>e.g. policy reviews, annual plans and use of performance management systems</i>



**Section 3:  
F: Equality and human rights improvement plan**

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

Equality Objective	Action	Target	Officer Responsible	By when

## Section 4: Sign off and scrutiny

Upon completion, the Lead Officer completing this assessment is required to sign the document in the section below.

It is required that this Equality and Human Rights Impact Assessment (EHRIA) is scrutinised by your [Departmental Equalities Group](#) and signed off by the Chair of the Group.

Once scrutiny and sign off has taken place, a depersonalised version of this EHRIA should be published on Leicestershire County Council's website. Please send a copy of this form to [louisa.jordan@leics.gov.uk](mailto:louisa.jordan@leics.gov.uk), Members Secretariat, in the Chief Executive's department for publishing.

### Section 4

#### A: Sign Off and Scrutiny

Confirm, as appropriate, which elements of the EHRIA have been completed and are required for sign off and scrutiny.

**Equality and Human Rights Assessment Screening**

**Equality and Human Rights Assessment Report**

1<sup>st</sup> Authorised Signature (EHRIA Lead Officer): .....Donna Worship.....

Date: ...18<sup>th</sup> May 2017.....

2<sup>nd</sup> Authorised Signature (DEG Chair): .....Mo Seedat.....

Date: .....6<sup>th</sup> June 2017.....



**SCRUTINY COMMISSION - 19 JULY 2017**

**REPORT OF THE DIRECTOR OF CORPORATE RESOURCES**

**CORPORATE COMPLAINTS AND COMPLIMENTS ANNUAL  
REPORT 2016 – 2017**

**Purpose of Report**

1. The purpose of this report is to present for the Commission's consideration the Corporate Complaints and Compliments Annual Report, covering the period 1 April 2016 to 31 March 2017. This is attached as appendix A to this report.

**Policy Framework and Previous Decisions**

2. A new Corporate Complaints Procedure was adopted by the Authority in April 2010 which requires an Annual Report to be produced, analysing and reviewing complaints received during the preceding 12 months.

**Background**

3. The Customer Relations Team manages and co-ordinates complaints relating to 3 separate complaints systems –
  - (i) Adult Social Care statutory process;
  - (ii) Children's Social Care statutory process;
  - (iii) Corporate Complaints process – these are complaints relating to other services provided by the Council where there is no other form of redress.
4. This third category is the subject of this report. Both statutory processes are subject to other reporting processes and annual reports on both areas will follow shortly to the respective Overview and Scrutiny Committees.
5. As detail is included in the Annual Report itself, the purpose of this report is simply to pick out some of the main, headline issues emerging from the analysis of complaints activity for 2016/2017.

**Headline statistics**

**Complaints received and outcomes**

6. During 2016-17 the following complaints were received (2015-16 figures in brackets)

- 260 Corporate complaints (325) – a 20% decrease
  - 44 Local Government Ombudsman (LGO) complaints (50) – a 12% decrease
7. 95 Corporate complaints were upheld - which is 36% of the total received (30% in 2015-16).
8. 47 Ombudsman decisions were made during 2016/17 as follows:
- 14 Closed after initial enquiries;
  - 7 No fault found after full investigation;
  - 7 Outside of LGO remit;
  - 2 Premature;
  - 12 Maladministration with injustice;
  - 4 Maladministration without injustice
  - 1 Withdrawn

### **Response times**

9. During 2016-17, complaint response times were slightly worse than previous year but still above internal targets (2015-16 figures in brackets):
- 69% of all complaints received a response within 10 working days (77%);
  - 90% received a response within 20 working days (96%);
  - 99% received a response within the maximum 65 days recommended by LGO (100%).

### **Issues complained about and numbers upheld**

10. The top three issues complained about were as follows

- |  |                    |
|--|--------------------|
| • Delays in providing services             | 63 or 24% of cases |
| • Professional Judgement / Decision Making | 42 or 16% of cases |
| • Quality of Work                          | 40 or 15% of cases |

11. The top three issues most likely to be upheld were as follows

- |                                  |                        |
|----------------------------------|------------------------|
| • Delays in providing services   | upheld in 51% of cases |
| • Sensitivity / Empathy of staff | upheld in 50% of cases |
| • Politeness, Open-ness of staff | upheld in 48% of cases |

12. Of the complaints adjudicated on by the Ombudsman, financial remedies totalled £1,025. The figure for 2015-16 was £2,520

### **New Developments**

13. Revised processes for capturing learning from complaints has been introduced and is being developed to continually improve this important area and improve the loop back to service plans.

14. Further Effective Complaints handling training delivered to managers within the organisation. Feedback from participants has been extremely positive and in many cases, the quality of their responses has demonstrably improved.

15. Work continues on improving our complaints toolkit to help Managers access guidance and templates when responding to complaints.

### **Recommendations**

16. The Commission is asked to:

- (i) note the contents of the Corporate Complaints Annual Report, covering the period 1 April 2016 to 31 March 2017.
- (ii) provide comment and feedback on the content and analysis within the Report.

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

None.

### **Background Papers**

Corporate Complaints and Compliments Annual Report 2015 – 2016: Scrutiny Commission - 15 June 2016

<http://politics.leics.gov.uk/documents/s119639/Corporate%20Complaints%20and%20Compliments%20Annual%20Report%202015-16.pdf>

### **Officer to Contact:**

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### **List of Appendices**

Corporate Complaints and Compliments Annual Report 2016 – 17

### **Equality and Human Rights Implications**

None

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## Complaints



## Corporate Complaints & Compliments Annual Report 2016 - 2017

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## 1. Purpose of Report

- 1.1 To report statistical information to Members and Officers detailing Leicestershire County Council's (LCC) corporate complaints and compliment activity from 1<sup>st</sup> April 2016 to 31<sup>st</sup> March 2017.
- 1.2 To outline the key developments and planned improvements to the complaints processes operated by the Council.
- 1.3 To evidence some of the learning captured from complaints and compliments and how this can inform and improve the overall customer experience.

## 2. Complaints and Compliments received in 2016-17

### 2.1 The work of the Complaints Team

This report relates to the Council's corporate complaints and compliments processes. However, to put the report within a wider context, it is worth referring to the broader work of the Complaints Team.

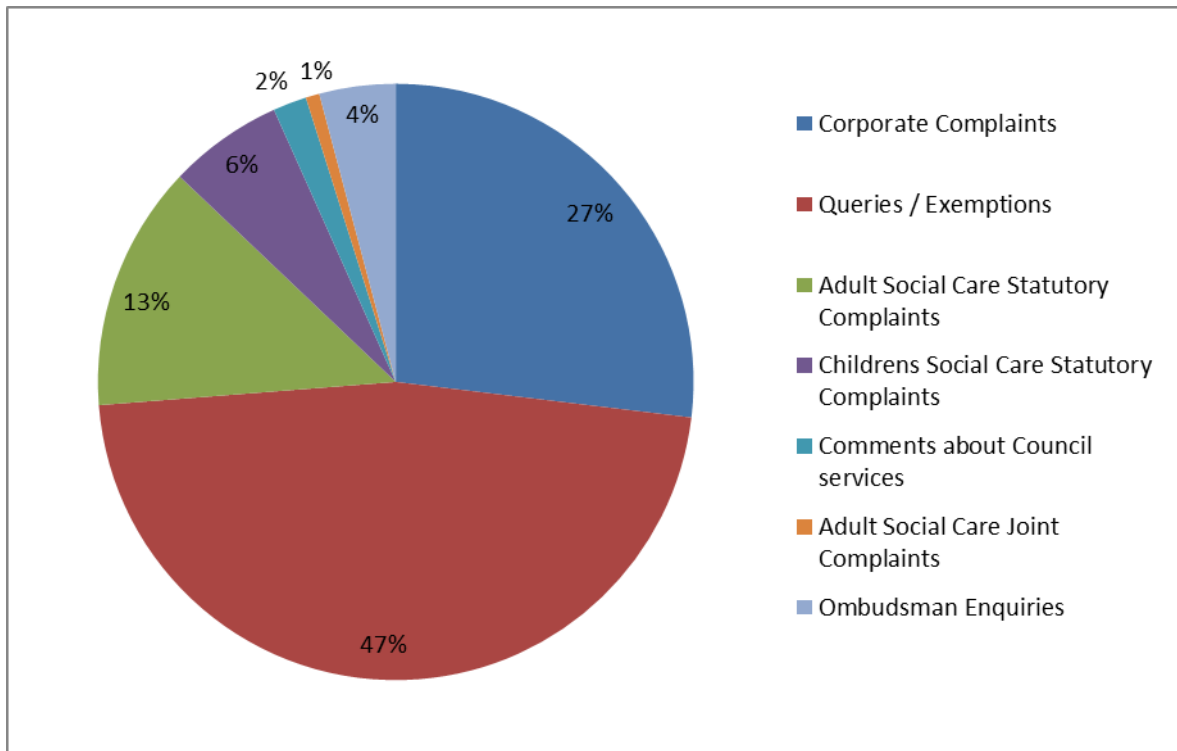
The Council has two other complaints processes – the statutory process for adult social care and a similar statutory process for children's social care. Both social care complaints processes are not considered within this report but are managed by the Complaints Team and are subject to separate reports to the relevant directorate and scrutiny groups.

In addition, the team deals with a wide range of interactions with customers that do not go on to become formal complaints. These include general queries, as well as matters which are exempt from consideration under our complaints policies. Further detail is provided in Section 2.4.

Whilst many of the queries are quickly resolved, those where exemptions from the complaints procedure apply can often generate significant correspondence and phone calls.

Finally, in liaison with the Director of Law and Governance, the team also manages all complaints that are referred to the Local Government Ombudsman. The Complaints Manager acts as the nominated Link Officer and handles all correspondence between the Council and the Ombudsman.

In total, the Complaints Team dealt with 1286 enquiries during 2016/2017, as depicted in Table 1 overleaf.

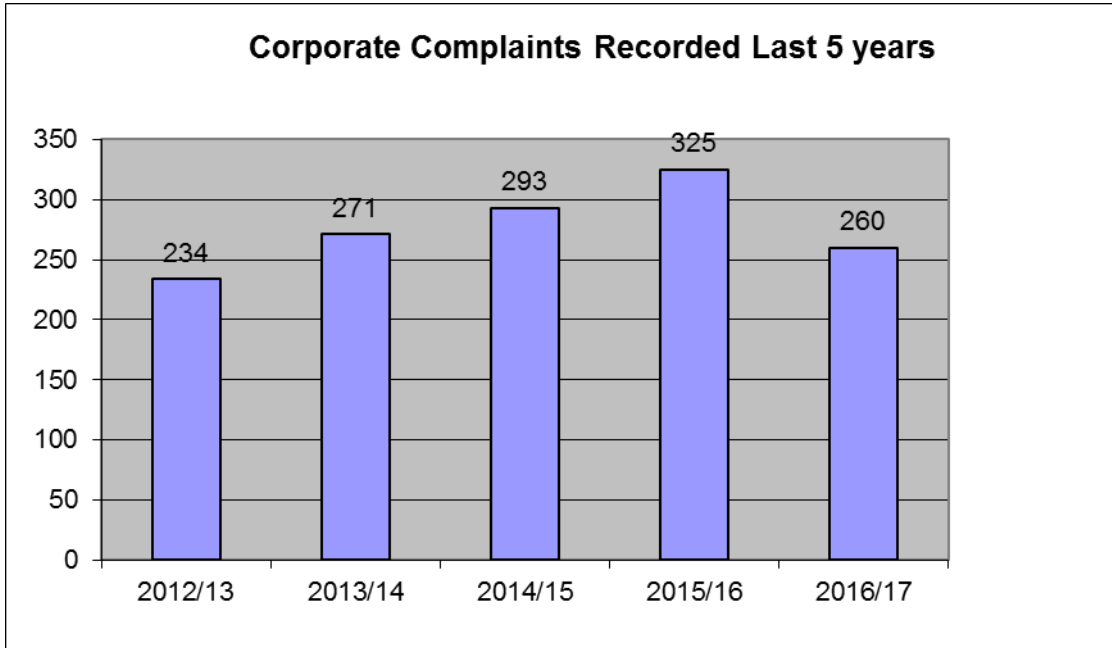
**Table 1: Breakdown of cases handled by Complaints team**

This represents an overall decrease of 9% on prior year (1414)

The Complaints Team itself remains a small operation of two fte comprising the Complaints Manager and an Administrative Officer. Extra administrative capacity is provided by the wider Business Services team when required.

**2.2 Corporate Complaints summary**

**Table 2: Corporate Complaints recorded during the last 5 years**



As illustrated above, the total number of corporate complaints received decreased in the last year by 20%. This is the first decrease within the last 5 years.

**Table 3: Corporate Complaints by Department**

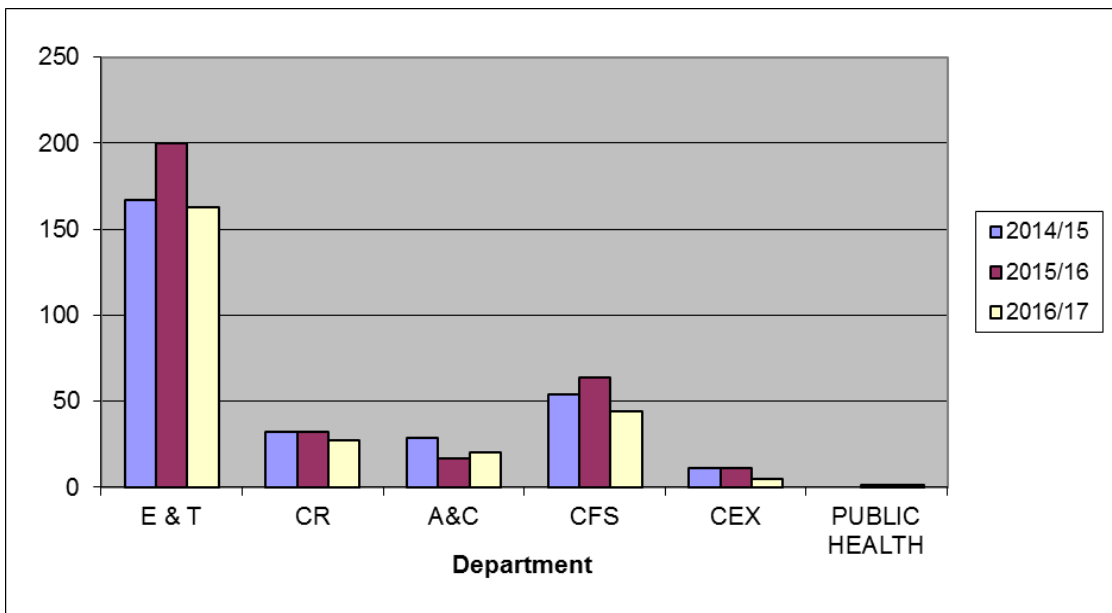


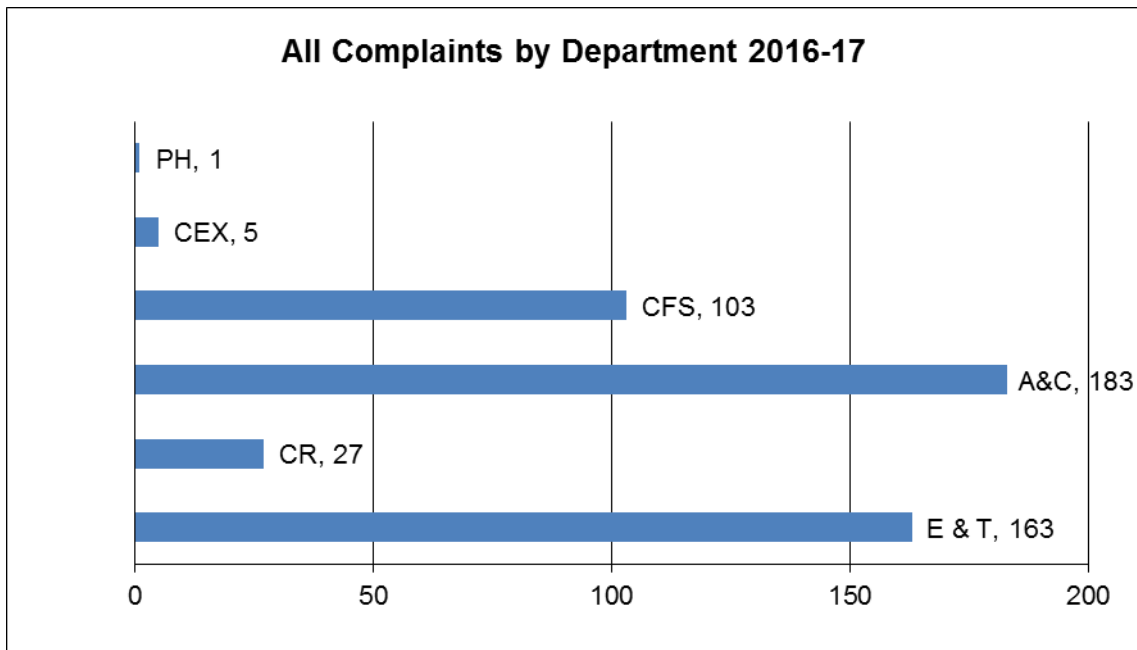
Table 3 shows the departmental breakdown of all corporate complaints received across the last 3 years.

As mentioned already, it is important to note that for both Children and Families (CFS) and Adults and Communities (A & C), the majority of their complaints relate to social care matters and as such, are not represented here. With this in mind, it is unsurprising, that by far the largest number of corporate complaints continue to relate to services delivered by the Environment & Transport Department, which has no separate statutory process.

To illustrate this better, Table 3b below shows the total volume of all complaints (both social care & corporate) by department and shows much closer alignment between Adults and Communities, Environment and Transport and Children and Family Services departments.

Chief Execs , Public Health and to a lesser extent Corporate Resources do not have such significant external service provision and as such volumes are inevitably lower in these areas.

**Table 3b – All complaints (statutory and non-statutory) by Department**



### 2.3 Most common topics

Of the corporate complaints received during 2016-17, the most common areas were all within the Environment & Transport section, with the top five subjects recorded as follows. For comparative purposes, 2015-16 figures are also included

Service	2016 / 17	2015 / 16
Traffic & Safety concerns <sup>1</sup>	18	36
Footway & Carriageway condition	16	13
Network Management (Utility Companies)	16	9
Recycling & Household Waste sites	16	13
Grass Cutting	13	24

It is pleasing to see the reduction by 50% of complaints relating to Traffic and Safety matters. Further data analysis suggests this is primarily down to improved management of expectations, a theme highlighted in last year's annual report.

Grass-cutting complaints were also at the lowest level for the last 5 years. This reflects improved operational performance, the addition of an extra cut as well as improved information available to the Customer Service Centre. Complaints insight clearly shows that complaints can often be resolved at an early stage through provision of accurate and up to date information.

The biggest change has been the increased volume of complaints about utility companies working on Leicestershire Highways. A significant factor in this has been the activity of Virgin Media across the County.

Recycling and Household Waste complaints have also seen a slight increase this year. This was expected due to the policy changes and implementation of charges. The increase has not however been as significant as anticipated.

## **2.4 Queries and other contacts received**

As well as managing formal complaints, the Complaints Team is also well placed to proactively assist customers where they are looking for assistance or things are going wrong. Many such matters can be quickly and informally put right and where this is the case, the intervention is not formally recorded as a complaint. Our complaints policy specifies a window of opportunity of up to 24 hours to achieve such informal resolution.

A request for service is not a complaint (e.g. a request for service could be a request to repair an unlit lamp post). A complaint would only arise should the request for service not be properly dealt with. The Complaints Team do however regularly take calls of this nature and liaise with the department to ensure they are responded to and to avoid any public perception of lack of ownership.

During 2016-17, the Complaints Team handled 535 miscellaneous interactions, consisting primarily of:

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<sup>1</sup> This includes traffic calming requests, parking concerns, safe walking and cycling routes and requests for crossing points

- Providing advice and signposting to the correct organisation e.g. District Councils, Academies, Health (82).
- Requests for service which were passed to the relevant Customer Service Centre or other access point (97)
- Providing advice and signposting to alternative procedures for redress, for example internal appeals procedures, subject access requests, HR procedures (104)
- Informal resolution by direct contact with departments within 24 hours (112)
- On-going correspondence around complaints which have already been considered and responded to (67)

Sometimes, these are simple matters for the team to resolve. Others can be extremely difficult cases; especially when managing expectations and where nothing more can be achieved through the complaints process.

During 2016-17, the complaints team received a significantly higher number of first time requests for Highways services. From feedback received it was established these were linked to website visits. Some changes have now been made to better promote the Customer Service Centre, including the new online reporting tool.

Wherever possible, the Complaints Team aims to resolve customer complaints and concerns without the need to escalate into the formal complaints process. This is good complaints handling practice with complaints being resolved as close to the point of origin as possible. It is encouraging to see that 112 such cases were able to be resolved at this stage.

All of the above enhances the reputation of the Council, but also helps avoid costly escalations both internally and to the Local Government Ombudsman.

## **2.5 Compliments received**

253 compliments were recorded across all services during 2016-17, a healthy increase on the 206 recorded in 2015-16.

It is always encouraging to see visibility of the good work that is being delivered by the Council and it will remain a topic for discussion with departments to encourage and promote this.

A small selection of the compliments received about corporate services can be found in Appendix A of this document.

### 3. Complaints resolved during 2016-17

#### 3.1 Foreword

The key performance indicators for speed of response, outcomes, causes and identified learning are linked to complaints that have been *resolved* within any given reporting period rather than received.

This is important as it ensures that full data sets are able to be presented, both to departments on a quarterly basis, and at year end. It also closes a historical gap (particularly relevant to Ombudsman complaints) where outcomes might not appear in annual reports as the complaint remained open at the time of production.

It follows from all of the above that the figures presented below will not match the data presented in section two of this report which focused on complaints *received*.

#### 3.2 Responsiveness to complaints

**Table 4: Corporate Complaints Performance against timescales**

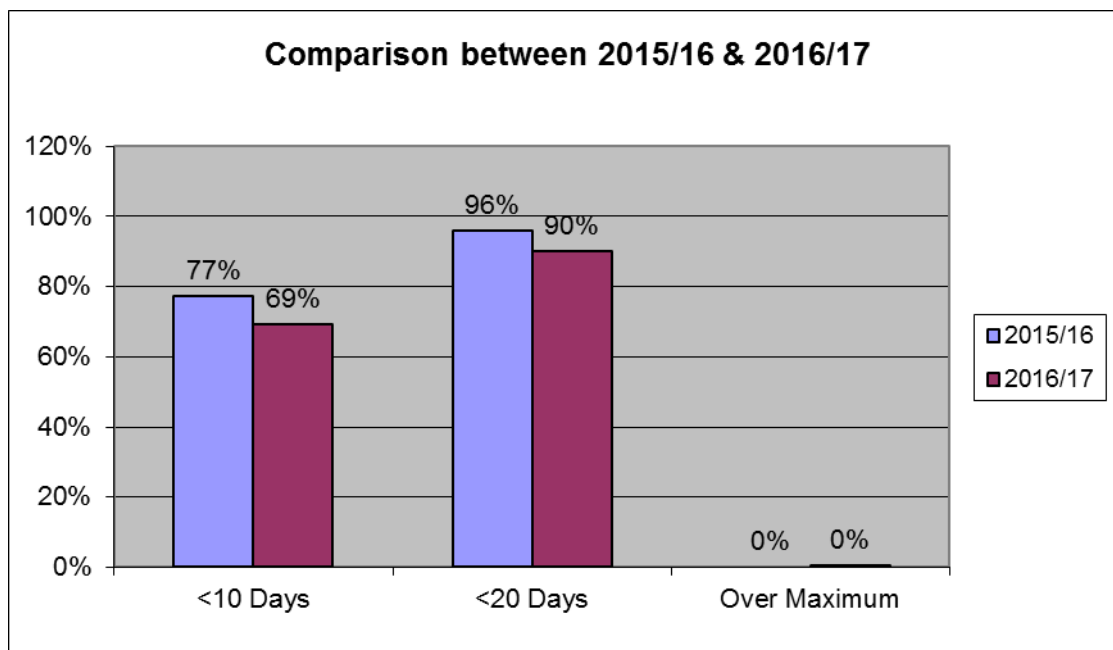


Table 4 above shows a summary of time taken to respond to complaints, providing a comparison between the current reporting year and the previous one.

The table above shows a drop in performance. This was impacted predominantly during Quarter 3 where response timescales dropped to 55%. Discussions took place with senior leadership teams to emphasise the importance of timely resolution and quarter 4 performance showed a clear improvement.

There were 3 complaints which were not resolved within 65 working days. Of these 2 were because of the need to interview a member of staff who was on long term sickness whilst the other was protracted whilst the department were taking legal advice.

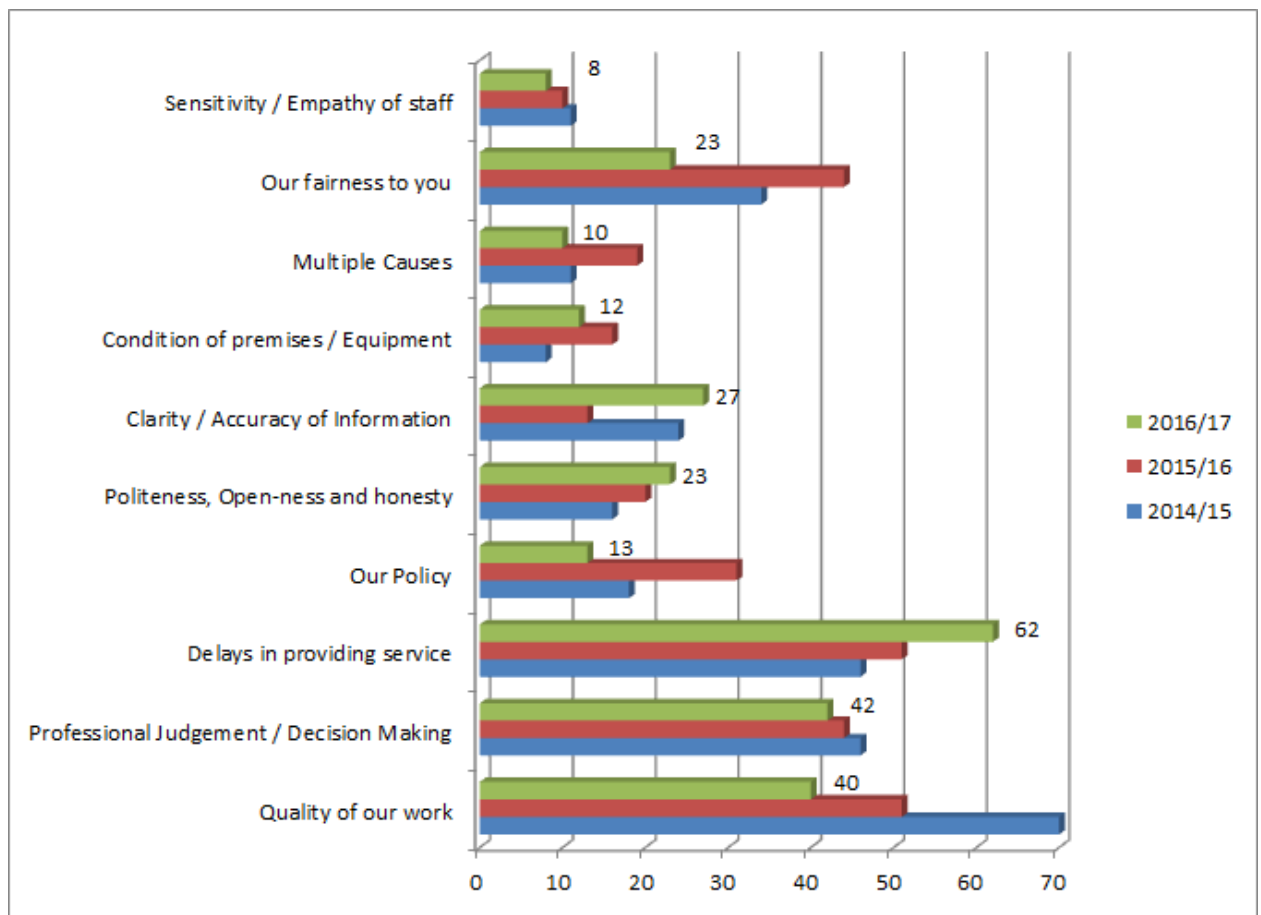
On the whole, these remain healthy results and meet our internal targets of 60% and 90% respectively.

### 3.3 Primary cause of complaints

All complaints are analysed by the Complaints Team to try to establish the principal cause. Whilst in some instances, complaints do cover multiple issues and it would not be right to focus on one specific area, this can prove an instructive way of understanding where the organisation needs to target improvement.

The graphic below shows the comparative data for the preceding 3 years

**Table 5 – What were complaints about?**



The key changes this year are:

- Increased numbers citing Delay as the primary factor



There were a range of topics within this area but the top 3 areas recorded were as follows:

Service	Fault Found	No Finding	Not Upheld	Grand Total
E&T - Gully Emptying/Drainage	7	1	4	12
E&T - Grass & Hedge Cutting (inc weed spraying)	2		5	7
E&T - Carriageway & Footway condition	4		1	5

As identified in Section 2.3, there have been some areas where we have significantly improved our response times to enquiries, however there is clearly more still to be done to both improve our responsiveness and / or expectation management.

- A decrease in complaints about quality of work

This continues the improvements seen in 2015/16 about “doing the basics” well. In particular there are significantly less reports of calls not being returned.

- Rise in complaints citing quality of information

This is a mixture of information provided on our website (for example opening times of waste sites) and other bespoke correspondence which has either been unclear or inaccurate.

- Reduction in complaints regarding policy changes

Whilst technically outside of the corporate complaints remit (if the complaint is solely about a political decision), it was agreed with CMT that this intelligence would be invaluable data to capture especially as service reductions become more prevalent

In determining complaints in this category, investigations focus solely on whether the Council’s policy has been correctly followed or applied.

Complaints were predominantly received around Waste Charges, School Transport Policy changes and the switch to LED lighting

The full breakdown of complaint causes and their respective outcome appears in table 6 below.

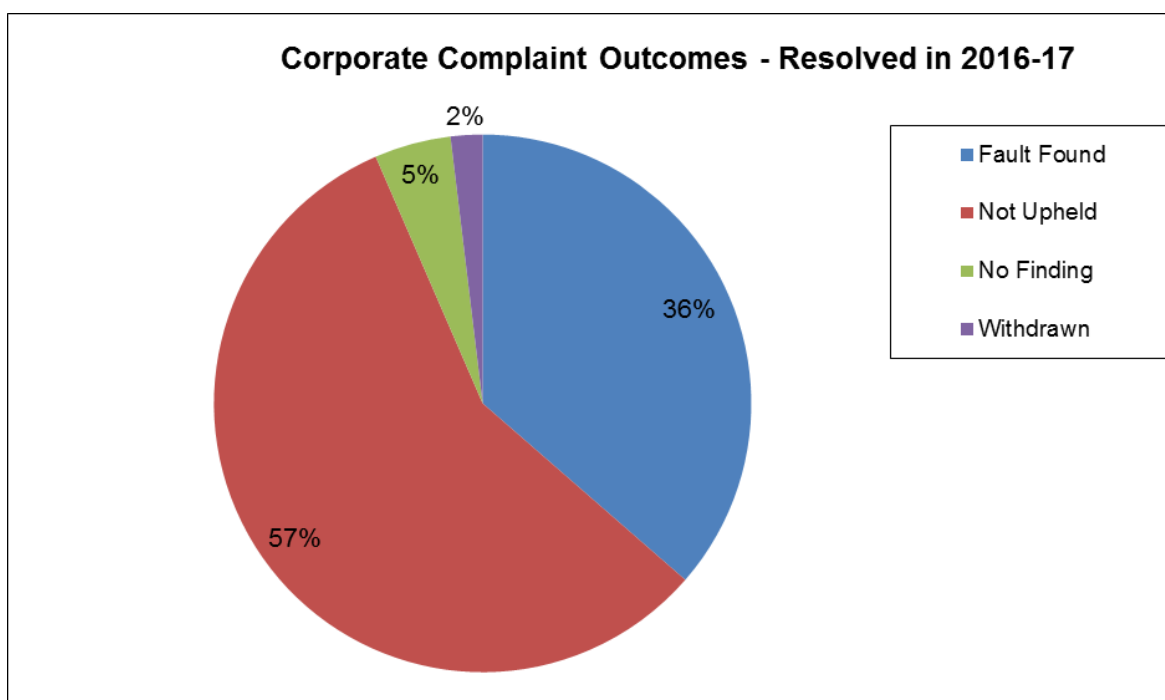
**Table 6: Complaint Causes**

Cause	Number	% Fault Found
Accuracy / Clarity of Information	27	44%
Quality of our Work	40	30%
Delays in providing services	63	51%

Condition of our premises or infrastructure	12	25%
Our Policy	13	0%
Sensitivity / Empathy of staff	8	50%
Politeness, Openess and Honesty	23	48%
Professional Judgement / Decision making	42	21%
Our Fairness to you	23	26%
Multiple	10	60%

### 3.4 Complaints Outcomes & Resolutions

**Table 7: Corporate complaints recorded by outcome.**



In order to align with Local Ombudsman data classification and simplify our own reporting, the Council no longer differentiates between whether a complaint was partly or fully upheld. Instead, the Complaints team will assess all complaints responded to and classify as either “Fault Found” or “Not Upheld”

Table 7 above shows that 57% of complaints were not upheld following investigation, with some fault being found in 36% of complaints. This is a slight increase on the previous year (30%)

Eleven complaints were resolved with no finding. This is where there was insufficient evidence to make a finding (e.g. driving standards), or where it became clear there were two different versions of events with no objective evidence to substantiate either version.

## 4. Complaints resolved during 2016-17

### 4.1 Foreword

Complaints are a valuable source of information which can help to identify recurring or underlying problems and potential improvements.

Lessons can usually be learned from complaints received where complaints are upheld (and in many cases where the complaint was not upheld but the Authority recognises that improvements to services can be made).

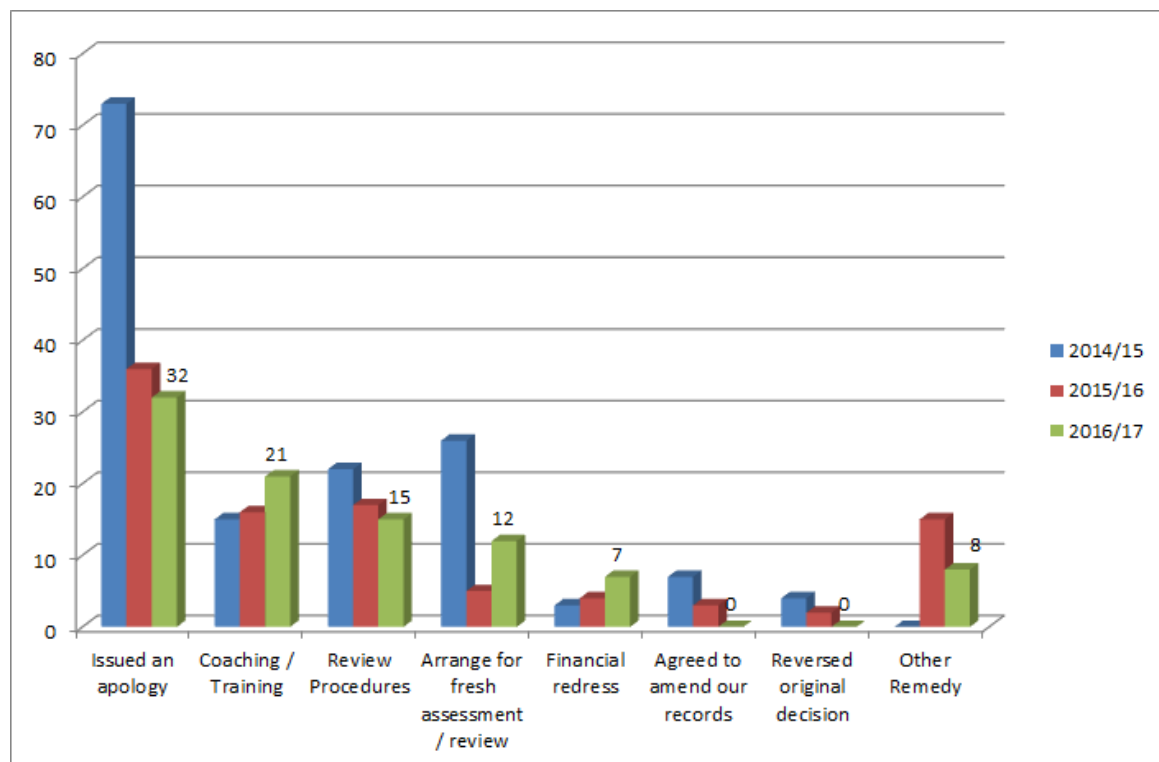
Occasionally during the course of an investigation issues will be identified that need to be addressed over and above the original complaint. The Complaints Team will always try to look at the “bigger picture” to ensure that residents receive the best possible service from the Council

### 4.2 Remedial actions taken from resolved complaints 2016-17

All of the 95 complaints where fault has been found have been reviewed by the Complaints Team to ascertain what action the relevant department has taken, both in remedying the fault, and any wider learning to avoid such issues occurring in the future.

In keeping with other comparative data in this report, results are shown for the last three years.

**Table 8: Summary of actions taken following complaint investigation**



A key element of an effective complaints procedure is being able to get to the root cause of why faults are happening and address these through process change or targeted coaching.

There will always be some cases whereby fault can be considered a “one-off” and no process or system flaws are identified, but it is pleasing to see that the percentage of complaints where Managers identified a clear issue to address rose this year to 38% (34%). This marks the positive progress made over the last 3 years in identifying issues.

A sample of positive improvements the Council has made are set out below.

You said	We Have
It is not clear enough that you restrict entry to Waste sites 5 minutes before the closing time	Reviewed our web content and signage at the sites. Ensured that Customer Service Centre mention this when issuing or discussing waste permits
It takes too long to action drainage work	Highlighted the concerns with Environment & Transport Senior Leadership Team and a programme of work specifically on this area has been instigated
Delayed Entry Panel hearings are not considered promptly enough	We now ensure all appeals lodged before the prescribed deadline are heard before National Offer day
There is a disconnect between your debts team and the adult social care finance team	Commissioned an end to end review of the finance pathway to improve our processes
Your terms and conditions when marketing library events are not clear enough	Reviewed the wording on the back of this complaint and now have clearer terms and conditions
Responses being sent by First Response and generic and do not cover the specific issues I raised	Accepted that we need to create additional letter templates
It is not clear that your SEN team are going to contact Schools without first gaining parent's consent	Revised the wording on parental preference form to make more explicit why we need to contact other schools

You failed to acknowledge my request for traffic calming consideration	Identified this was an old web-form. This has now been routed into the main Customer Service entry point
--	--

#### 4.3 Lessons learned – Improving service delivery

Complaint themes have always been discussed with departments, but this year there has been a specific focus in improving how we demonstrate that learning is directly feeding and driving service planning and improvements.

The main development over the last 12 months has been fully embedding a new process within A&C which involves Senior Leadership Team providing their response to the themes raised within each quarter's complaints report. Whilst predominantly this focuses on social care issues, the model is now being rolled out across CFS and E&T departments.

This model allows the Complaints Manager to better evidence systemic improvements that have been made to address specific themes highlighted and provide some assurance that improvements are being actively implemented.

## 5. Complaints resolved during 2016-17

### 5.1 Foreword

Should a complainant remain dissatisfied following internal consideration of their complaint, they can take their complaint to the Local Government Ombudsman to seek independent investigation.

The Ombudsman will usually check with the Authority whether or not the complaint has exhausted the Local Authority's complaints procedure. Where this has not been done, the Ombudsman will usually refer the complaint back to the Authority, to give us an opportunity to attempt to resolve the complainant's concerns through our internal complaints processes first.

The Ombudsman publishes some headline information on each Council's performance every year, although at time of writing this report this information has not been released. The official data is expected late July 2017

It is important therefore to note that the figures below are the details the Council holds for LGO enquiries.

### 5.2 New enquiries made to the Local Government Ombudsman 2016-17

During the year 2016-17, the Local Government Ombudsman made 44 new enquiries of the County Council. This can be further segmented as follows:

<b>Department</b>	<b>2016/17</b>	<b>2015/16</b>
Environment and Transport	13	20
Children and Family Services (includes social care)	13	13
Adults and Communities (includes social care)	14	8
Corporate Resources	2	5
Chief Executives	2	4

This is a slight reduction on the previous year (50)

### 5.3 Decisions made by the Local Government Ombudsman 2016-17

The LGO made Final Decisions on 47 cases during the year with outcomes recorded as:

- Two identified as premature and referred back to the Council for further consideration under the appropriate complaints procedure.
- Seven identified as outside of the Ombudsman's remit and discontinued on this basis

- Fourteen were closed after initial enquiries (the Assessment stage) with no further action. Typically this is where the LGO feel they are unlikely to find any fault or are satisfied with the Council's response.
- Seven were closed after detailed investigation and with no maladministration found
- Four cases of maladministration but with no injustice arising (or fault had already been remedied appropriately)
- Twelve cases of maladministration and injustice
- One case was withdrawn at complainant's request

Brief details of the cases (excluding statutory social care complaints) citing maladministration and the settlements agreed appear below

#### **Case 1 - Corporate Resources:**

Mr A complained about the Council's failure to ensure the operator of a local football ground applied and maintained an appropriate safety certificate. The LGO found fault in that the Council was unable to provide evidence of their inspection records.

The LGO recommended that steps be taken to undertake a fresh inspection and to take steps to improve their record-keeping. The Council agreed to this.

#### **Case 2 - Environment and Transport:**

Mrs B complained that the Council failed to advise of known re-surfacing works when offering a quote for a dropped kerb. A discounted price was offered to other residents.

The Council made an offer to re-imburse Mrs B the difference between the costs incurred and those she would have paid if the work had been done at the time of the re-surfacing scheme (£425). This was accepted by the Ombudsman

#### **Cases 3 & 4 - Children and Family Services:**

Two parents complained that the Council's Delayed Entry Panel hearings were unnecessarily delayed and when convened that there were flaws in the process.

The Council was at fault for not following the Admissions Code of Practice and for delaying setting these panels up.

The Council agreed to make remedy payments to each parent of £300, undertake a review of our policy and procedures and offer fresh panel hearings.

The remaining 12 cases where fault was found relate to either Adults or Childrens Social Care and details will appear within the respective statutory reports.

## **6. Oversight and support provided by Complaints service**

The Complaints Team continues to support departments to both manage and learn from complaints. The key services offered by the team are:

1. Complaints advice and support
2. Production of Performance Reports
3. Liaison with Local Government Ombudsman
4. Quality Assurance of complaint responses
5. Complaint handling training for managers
6. Acting as a critical friend to challenge service practice
7. Support with persistent and unreasonable complainants

The Complaints Manager has offered assistance in a number of complex cases to utilise the Complaints Team as a single point of contact within the Authority. This has helped manage protracted disputes and ensure consistent responses are issued.

In line with the Council's Unreasonable Complainants Policy, the Complaints Manager has also on rare occasions written to individuals seeking to restrict contact with the organisation due to the frequency of contact and the impact this has on officer time. Three such protocols have been issued in the last 12 months.

During this reporting period, complaints training has been delivered by the complaints manager for new children's and adult social care managers. This continues to be well received and contributes to the positive cultural improvements. A bespoke workshop for Highways managers was also delivered during the year focused on how complaints are triaged and assessed.

Assistance continues to be routinely provided to managers in drafting comprehensive responses to complaint investigations. This helps ensure a consistency of response and that due process is followed.

Quarterly complaints reports are produced and presented to Departmental Management Teams or Senior Leadership Teams as appropriate. The Complaints Manager also regularly meets quarterly with each department's Intelligent Client to talk through complaints matters.

The Complaints Manager is the Chair of the Eastern Region complaints managers group which represents the interests of some 18 local authority complaints professionals and ensures knowledge of the latest policy developments across all complaint types. This group allows for benchmarking and the sharing of good practice in complaints resolution.



## **7. Complaints service priorities for 2017-18**

During 2017/18, the Complaints team will focus on a number of key priorities, as follows:

- Improving the resource library for Managers responding to complaints and encourage more self-help.
- Continue the roll-out of the learning pilot (Section 4.3) to improve how we use complaints learning to improve service delivery.
- Continue to deliver targeted complaints training and explore opportunities to further assist managers with effectively responding to complaints
- Explore the delivery of complaints training for other organisations (e.g. Schools)
- Maintain and further improve the Council's strong track record of timely complaint responses.

## **8. Concluding Comments**

This has been the first year that corporate complaints volumes have reduced since the complaints function was centralised.

The key reason for this reduction is the better up-front management of initial requests, particularly for high volume areas.

There have been notable successes in reducing complaints for Grass Cutting, School Transport, School Admissions and other such areas by improving the ability of the primary access points to resolve queries in a timely fashion.

Notwithstanding this, there remain clear opportunities to improve other high volume highways areas. The Complaints Manager will continue to work with senior leadership teams to effectively utilise complaints intelligence to support positive improvements to service delivery.

## APPENDIX A – Sample of compliments received

- John has been a very big help and friend to us both sorting things out and getting things moving. He is the best thing we have had– **Public Health**
- Please thank all the members of the CSC team, for locating 2 missing VA applications, for guiding me through the process and for not alienating me for being dyslexic. LCC is the best authority I have come across in my life and would like the staff to be praised for their every effort in resolving this matter for me. Everything you are doing is perfect keep up the good work – **Customer Services (Highways)**
- Rang Highways to see if they could assist with a new LED lamp stopping daughter sleeping...very next night lamp was switched off at midnight as well as being dimmed...cannot tell you how pleased we are with this prompt and happy outcome – **Streetlighting**
- I just wanted to thank you for the quick and efficient manner you sorted the issue of the boundary fence. Today the fence panels were replaced by Mick and his team and I really have to commend them for the way they worked on a difficult fence and how they cleaned up the area after they had finished. You and your staff are a credit to the council – **Operational Property (Hard FM)**
- Shobha was absolutely fantastic, nothing was too much trouble to her. She was very pleasant and professional in all aspects of my enquiry regarding my Blue Badge and bus pass renewal – **Main Reception**
- I have seen the fantastic development of the Governors' Support Service at County Hall over many years , from nothing to its present highly valued facility, even in times of financial restraints. You and your colleagues are much appreciated – **Governor Development Service**
- Standard of grass cutting in Loughborough has been much improved this year. There have been no complaints at all in the Loughborough Echo this season..Communication with LCC has really helped and they hope the good relationships continue next season...Presence of LCC staff at meetings is much appreciated and a special thank you to Dave for attending the Working Groups. – **Highways**
- I am writing to thank the Local Authority for the new build which we received at the official handover ...The whole process has been made lighter by the expertise and good relationship between the architect, Sanjeev and the site manager. They have always explained what is going on; and always informed us of progress and set- backs – **Strategic Property**
- I can't thank you (Imogen) enough for your effort this morning on sorting out my child's place at sketchley hill. You in my mind went above and beyond the call off duty to get this sorted for me- **School Admissions**

- I wanted to share with you my very wonderful experiences with Anne and Steve of the Educational Psychology Services. I cannot thank them enough ,their support and advice in a very turbulent time has been outstanding – **Educational Psychology**
- I am contacting you to express my gratitude for the service we have recently received from the Autism Outreach (AO) team in Leicestershire. During a very difficult time for our daughter, a referral was made to the AO team. We were lucky enough to be allocated Caroline as our contact who responded very quickly to our daughter’s referral. We will be forever grateful that Caroline came into a frantic situation and provided such expert guidance and advice – **Autism Outreach**

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