



Meeting: **Scrutiny Commission**

Date/Time: **Wednesday, 9 June 2021 at 10.30 am**

Location: **Council Chamber, County Hall, Glenfield**

Contact: **Mrs J Twomey (Tel: 0116 305 2583)**

Email: **joanne.twomey@leics.gov.uk**

Membership

Mr. M. T. Mullaney CC (Chairman)

Mr. T. Barkley CC Mrs. R. Page CC
Mrs. H. J. Fryer CC Mr. T. J. Pendleton CC
Mr. S. J. Galton CC Mr. L. Phillimore CC
Mr. T. Gillard CC Mr J. Poland CC
Mr. Max Hunt CC Mr. T. J. Richardson CC
Mr. J. Morgan CC

AGENDA

Item

Report by

1. Appointment of Chairman.

To note that Mr M. T. Mullaney CC has been appointed Chairman of the Scrutiny Commission in accordance with Article 6.05 of the County Council's Constitution.

2. Election of Vice Chairman.

3. Minutes of the meeting held on 15 March 2021

(Pages 3 - 12)

4. Question Time.

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

6. To advise of any other items which the Chairman has decided to take as urgent elsewhere on the agenda.



7. Declarations of interest in respect of items on the agenda.
8. Declarations of the Party Whip in accordance with Overview and Scrutiny Procedure Rule 16.
9. Presentation of Petitions under Standing Order 35.
10. Annual Report on the Commercial Strategy Director of Corporate Resources (Pages 13 - 32)
11. Draft Overview and Scrutiny Annual Report 2020/21 Scrutiny Commissioners (Pages 33 - 60)

A copy of the draft Annual Report is attached for the consideration of the Scrutiny Commission. Subject to approval, the Annual Report will be submitted to the full County Council for consideration at its meeting on 7th July 2021.

12. Date of next meeting.

The next meeting of the Commission is scheduled to take place on 12 July 2021 at 10.00am.

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



Minutes of a meeting of the Scrutiny Commission held at County Hall, Glenfield on Monday, 15 March 2021.

PRESENT

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

Mr. T. Barkley CC
 Mr. P. Bedford CC
 Mr. D. C. Bill MBE CC
 Mr. G. A. Boulter CC
 Dr. T. Eynon CC
 Dr. R. K. A. Feltham CC

Mrs. H. J. Fryer CC
 Mr. W. Liquorish JP CC
 Mrs. R. Page CC
 Mr. A. E. Pearson CC
 Mr. T. J. Richardson CC

55. Minutes.

The minutes of the meeting held on 25th January 2021 were taken as read, confirmed and signed.

56. Question Time.

The following question, received under Standing Order 34, was put to the Chairman of the Scrutiny Commission:

Question asked by Mr David Campbell-Kelly as Chairman of the Willoughby Waterleys Residents Association

“As Chairman of the Willoughby Waterleys Residents Association, the committee would like to ask the following questions on behalf of its members, relating to strategic growth within the County.

1. We understand that the Strategic Growth Plan is to be reviewed by the Members Advisory Group. As a member of MAG will the County Council seek to ensure that such review will be subject to public consultation before implementation by any MAG member in a Local Plan review?
2. Will the County Council ensure that such review will look at ALL options for strategic growth, including to the west of the City as presented by WWRA 18 months ago. (Updated report available if required)
3. Do the County Council agree that Leicester City's unmet housing need is not yet quantified, pending its Local Plan adoption? Is it also agreed that a Statement of Common Ground will be necessary to allocate any unmet need and will the County Council through the MAG seek to ensure that this is subject to public consultation?
4. Given that the A46 Expressway is not being progressed by Midland Connect, any required infrastructure will need to be funded by development. Why then has The County Council set aside circa £1.5m for Advanced Design Works for a new J20a

on the M1?

5. Blaby DC local plan consultation closed on 12th March 2021. Where and what was the County Council's response? Did it highlight that the allocation of strategic sites by Blaby in advance of an agreed Statement of Common Ground would be premature?"

Reply by the Chairman

1. If the SGP needs updating, the County Council will want to ensure the SGP is consulted upon before it is approved for use by all partners.
2. The scope and options considered will be determined by the MAG. The County Council will wish to ensure the latest evidence available is taken into account.
3. Leicester's unmet housing need will be quantified through its Local Plan process and a Statement of Common Ground will be prepared by the MAG to apportion the unmet need across the rest of the housing market area. The Statement of Common Ground will form part of the evidence for individual Local Plans which will be subject to consultation as part of the statutory Local Plan process.
4. It is appropriate to identify funds for potential works which have been identified in a strategy approved by partners.
5. The Cabinet at the County Council will be considering its response to Blaby District Council's New Local Plan Options document on 23 March 2021. Cabinet papers will be placed on the County Council's website on Monday, 15 March 2021.

Supplementary questions

Mr Campbell-Kelly asked the following supplementary questions on the responses provided and, at the invitation of the Chairman, the Assistant Chief Executive responded as set out below:

1. "At Harborough District Council's Cabinet meeting on 8th March it was agreed to amend its support for the SGP and gave its approval to the review already being undertaken by the MAG. Do the County Council accept that this review, in the light of the changed circumstances regarding the A46 Expressway and given that the MAG is a non-statutory body, should be the subject of a public consultation in the interest of transparency?"

Reply: The minutes from Harborough District Council's Cabinet meeting last week were not on its website yet and the Assistant Chief Executive could not therefore comment on what it had resolved. However, he confirmed that the MAG had decided to carry out a strategic programme of work to decide whether the SGP needed updating. It would be for the constituent authorities, advised by the MAG, to then decide whether the SGP would be updated and what public consultation would be undertaken.

In response to a query from the Chairman, the Assistant Chief Executive clarified that the MAG did not use the term review but in effect had agreed a programme of work to assess whether there was a need for a review.

2. “Given that the MAG is a non-statutory body how is it empowered to determine the scope and options and do the County Council agree that “the latest evidence” should include the Strategic option west of Leicester presented by WWRA?”

Reply: The MAG would come to a view on the scope and options and advise the constituent partner authorities that make up the MAG on this. It would then be for the constituent partner authorities to take decisions through their formal decision-making processes. The County Council would expect that the MAG would consider any representations it received.

3. “This answer confirms that a public consultation into the Statement of Common Ground (SoCG), before implementation in any Local Plan review, is not accepted. Transparency, which is imperative given the significant implications of the SoCG on local communities, would be improved if such a consultation were to take place. All the more so, as the MAG is a non-statutory body. Do the County Council not agree?”

Reply: The Statement of Common Ground would be prepared by the MAG but then signed off by each constituent authority through their formal decision-making processes which would provide transparency. The opportunity for consultation came through individual Local Plan processes in the normal way.

In response to clarification sought by the Chairman, the Assistant Chief Executive further confirmed that the County Council would be consulted on the proposed Statement of Common Ground and the Scrutiny Commission would receive an update on the interim Statement put in place to support Charnwood Borough Council’s Local Plan in due course.

4. “What transport strategy has already been undertaken that warrants such expenditure and what public consultation took place?”

Reply: A written response to this question would be provided following consultation with colleagues in the Environment and Transport Department.

5. “It is assumed therefore that the County Council has reached agreement with Blaby District to submit its consultation after the deadline date of 12th March 2021. Can representations still be made to The County Council before Cabinet and therefore before submission?”

Reply: The County Council submitted its comments before last Friday’s deadline set by Blaby District Council with the proviso that these comments were subject to the Cabinet’s consideration of this matter on March 23rd. Blaby District Council were aware and content with this approach. Representations on the Cabinet report could be made before the meeting on the 23rd.

57. 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).

58. Urgent items.

There were no urgent items for consideration.

59. Declarations of interest in respect of items on the agenda.

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

All members of the Commission who were also members of district and/or parish councils declared a person interest in item 10 relating to the 2020/21 Medium Term Financial Strategy Monitoring (Period 10) (minute 64 refers).

Mrs H. Fryer CC declared a personal interest in agenda item 8 (Strategic Property Energy Strategy 2020) which included reference to a solar farm in her division (Quorn and Barrow) and agenda item 10 (Medium Term Financial Strategy Monitoring (Period 10)), specifically the reference on page 57 to Rothley Primary School, as she chaired Charnwood Borough Council's Planning Committee.

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

There were no declarations of the party whip.

61. Presentation of Petitions under Standing Order 35.

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

62. Strategic Property Energy Strategy 2020 - 2030

The Commission considered a report of the Director of Corporate Resources regarding the revised Strategic Property Energy Strategy for 2020 – 2030 and accompanying action plan. A copy of the report marked agenda item 8 is filed with these minutes.

In presenting the report the Director emphasised that the Property Energy Strategy was essentially a sub-strategy of the Council's overarching Environment Strategy which the Council had approved last year. The latter looked holistically at the Council's approach across all service areas whereas the Property Energy Strategy set out work that would be specifically undertaken to reduce carbon emissions and deliver other environmental benefits across its own property portfolio.

Arising from discussion the following points were made:

- (i) The Strategy was welcomed and the ambitions and targets identified in the action plan supported, particularly as this included tangible results that would be measured over time. Members agreed that the Council should act as an exemplar of what could be achieved and agreed the planned Strategy worked to ensure this.
- (ii) Progress against the previous Strategy was also welcomed. A Member suggested that this work should be promoted to show how committed the Council was to delivering its net zero carbon target and to encourage partners to do the same.

- (iii) Given that the County Council itself only accounted for 1% of the total emissions generated in Leicestershire, the need to work jointly with others was emphasised. Whilst the Council's own strategy and delivery to date had been good, it did not have control over a number of factors that would be key to reducing carbon emissions across the County. Members noted that consideration was being given to how the Council might influence others to also take steps reduce their emissions.
- (iv) A member raised concerns that growth and increased housing numbers would inevitably increase carbon emissions across the area and said the County and district councils and the private sector would each need to play their part to address this. It was further suggested that as more people were now working from home, promoting and encouraging energy efficient homes would be increasingly important and necessary.
- (v) A member expressed concern that some of the Council's emissions had been exported to staff over the last year because of increased working from home. Whilst it was recognised that this was difficult to measure and monitor, members agreed that steps to help staff should be considered, particularly as this would likely have a cost impact. Members acknowledged that many staff now had reduced travel costs, but it was not clear if this outweighed increased energy costs particularly over the winter. The Director acknowledged there was more the Council could do to support staff. The approach had so far been to provide information and advice and to alert staff to government grants and initiatives which may be of benefit, but members were reassured that further consideration would be given to more practical steps which the Council could take.
- (vi) Members emphasised the need to ensure other Council policies took sufficient account of environmental impacts to ensure all activities of the Council worked to deliver its net zero carbon target by 2030. Members acknowledged that wider work was being undertaken across departments and with partners which was managed through the Council's Strategic Environment Team. Members noted that this work would be monitored by the Environment and Transport Overview and Scrutiny Committee.
- (vii) In response to a question, the Director confirmed that carbon emissions from the Council's water consumption was low and measures to reduce this further were disproportionately expensive. On balance therefore, these had not been prioritised and instead, more cost-effective interventions that would have a greater overall impact had been selected. Members were reassured that whilst no specific targets for reducing water consumption had been included in the Strategy, opportunities would still be considered, and steps taken where appropriate. The Director emphasised that the Council's water consumption was already quite low.
- (viii) A Member questioned how much the County was affected by emissions generated in the City and whether the City also had similar plans and strategies in place to address this. The Director advised that the report related to the County Council's assets only and did not therefore include data relating to the City's assets or emission levels. However, members noted that the City Council had also committed to reduce its emissions and therefore had its own strategies in place to deliver this. The Director confirmed that where

appropriate joint projects were undertaken with the City e.g. the purchasing of energy, park and ride and electric transport initiatives.

- (ix) A Member asked if the County and City Council had a joint transport strategy and highlighted that reducing transport into the City whilst positive, did have a negative effect on neighbouring areas that needed to be accounted for. The Chairman asked that the Director of Environment and Transport be requested to provide further information to the member on this issue which fell outside the remit of the current report.

RESOLVED:

That the comments now made by the Commission be report to the Cabinet at its meeting on 23rd March for consideration.

63. Airfield Farm Development Proposals

The Commission considered a report which sought comments on the proposed further development at Airfield Business Park in Market Harborough and proposals to seek Cabinet approval for the allocation of resources necessary to support the scheme, to submit a planning application for light industrial units covering a further 96, 717 sq. ft of the site and to proceed to tender to construct part of the space (81,376 sq. ft) as the next phase of the development. A copy of the report marked Agenda Item 9 is filed with these minutes.

In presenting the report, the Director reported that:

- In support of the Council's environmental approach and Property Energy Strategy targets, the proposed units would be built with the benefit of electric car charging points and photovoltaic panels.
- To reduce risk, marketing of the units would likely begin earlier than currently set out in the report to secure pre-lets wherever possible (i.e. agreements to lease the units before construction).

Arising from discussion, the following points were made:

- (i) This was a good scheme making excellent use of the site that would generate employment opportunities in the area. Although the return on investment was estimated to take 20 years, it was hoped that this would be significantly reduced by securing lower build costs following the planned tender exercise and increased rental figures on completion.
- (ii) It was not yet known what type of businesses might be attracted to the new units. The site had already attracted a wide range e.g. printers, bakers, storage facilities. Members noted that five out of ten of the tenants occupying the units completed under phase 2 of the scheme were local to the area and had been looking to expand. The other five had invested into the County from outside the area.
- (iii) It was not clear where future employers/employees occupying the units might live. A travel plan would be undertaken as part of the usual planning process. Members noted that as this was a County Council development on County Council owned land this would be a Regulation 3 application considered by the

County Council's Development Control and Regulatory Board. It was hoped that a planning application would be submitted next month.

- (iv) Like with any commercial development, there were risks related to the scheme. However, these were as expected for this scheme and not regarded as significant or unusual despite current economic uncertainty. Steps would be taken to reduce and manage risk including, for example, undertaking the planned fixed cost tender exercise for the next phase. Members noted that ultimately, the Council would benefit from rental income from the site if the scheme were delivered but would also benefit from capital growth if planning permission was secured, making this a marketable investment should the Council wish to sell.
- (v) A member alerted the Director to parking issues leading up to the site which stemmed from the neighbouring Innovation Centre. It was suggested that parking for the site would be addressed through the planning process.

RESOLVED:

That the comments now made by the Scrutiny Commission be reported to the Cabinet at its meeting on 23rd March 2021 for consideration.

64. 2020/21 Medium Term Financial Strategy Monitoring (Period 10)

The Commission considered a report of the Director of Corporate Resources, the purpose of which was to provide an update on the 2020/21 revenue budget and capital programme monitoring position as at the end of period 10 (the end of January 2021). A copy of the report marked 'Agenda Item 10' is filed with these minutes.

Arising from discussion the following points arose:

- (i) Each government grant was subject to its own conditions and many required the money to be spent within a set timeframe or at the very least by the end of the financial year. This was very difficult for many local authorities to achieve and therefore such conditions had been softened to require spend to only be committed this financial year. This meant some funds could now be carried forward to 2021/22. However, despite this, the potential funding gap in 2021/22 remained substantial.
- (ii) Nationally, vacancy levels in care homes had increased as views on preferred care settings continued to change towards care at home. Some providers were beginning to close some homes which were no longer viable, though this did not seem to be an issue in Leicestershire at the current time. The County Council had provided interim support to local care homes and they had adapted well during this difficult time. It was accepted, however, that further pressures on the market lay ahead.
- (iii) Members noted the overspend on commercial services, recognising that this had been a very difficult year for the Council's traded activities. Members were advised that services would be reviewed on a case by case basis. Where a fundamental review was necessary requiring significant changes to a service area, proposals would be presented to the Cabinet and the Scrutiny Commission in the usual way. Members noted that whilst some areas, such

as cafes in parks, had continued to do well, other areas had been significantly impacted by Covid restrictions, for example, Beaumanor Hall which had been closed for almost a year.

- (iv) The Cabinet would consider the reallocation of unringfenced undersependns as part of the usual outturn in May/June and redirect such funds as it considered appropriate at that time.
- (v) The M1 Junction 23/A512 overspend would not likely increase further as the scheme was due to be completed in May 2021. It was hoped that further funding received through section 106 developer contributions would reduce the overall cost to the Council.
- (vi) A member questioned what would happen to the section 106 funding secured for the creation of secondary places in the Coalville area now that this could not be used towards a new building at Newbridge High School. The Director advised that this would depend on the specific terms of the section 106 agreement entered into with the developer. The Head of Law confirmed that the agreement would be reviewed to ensure, as far as possible, the funding was not lost but reallocated as appropriate.
- (vii) A member asked for an update on the proposed development of Leaders Farm in Lutterworth which had been progressing for some time. The Director confirmed this was not yet developed enough to be regarded as a live scheme within the capital programme. Work to secure planning permission for the site was still in progress.
- (viii) A member raised concern about the continued slippage and increased costs for the proposed Zouch Bridge replacement which had been ongoing since 2013. Members noted that refurbishment techniques had improved over recent years and consideration would therefore be over the summer to whether this would be a viable option, as opposed to its replacement. A further update would be provided as part of the MTFS monitoring report in the Autumn. The Director confirmed that the bridge continued to be subject to regular inspections and that works to date had ensured that it had remained open. Whilst it was noted that the River Soar was the boundary between Leicestershire and Nottinghamshire, the bridge fell within Leicestershire County Council's remit.
- (ix) Members raised concerns about the length of time some schemes remained listed in the capital programme and questioned how these were reviewed to ensure extensions or other changes did not affect the best value assessments or forecasted yield/returns estimated when they were first agreed, particularly when some were listed for several years. A member raised further concerns about schemes not listed in the programme but which were under development (such as Leaders Farm) and which still incurred costs in the background. Members questioned how long a scheme was or should continue to be pursued, the cost implications of this and what was the overall impact on the capital programme.

The Director emphasised that schemes tended to be added to the capital programme long before construction works began. This was felt to be appropriate to allow for proper oversight and management of the programme

over the duration of the MTFS (i.e. 4 years). However, it was acknowledged that timescales were sometimes overoptimistic, and this was something officers were seeking to address.

The Director confirmed that the continued extension of schemes could result in increased costs and use of officer time. Members noted that business cases for a project would be assessed at the outset and thereafter reviewed as necessary following any change, but a review of the overall capital programme for the overall impact of delays was not carried out.

The Director agreed to consider the concerns now raised both in respect of individual schemes and the programme overall. He further agreed to consider the need for stricter timelines for both schemes listed in the capital programme and those which were under development. Members requested that the next MTFS monitoring report presented to the Commission provide some narrative on these issues and detail projects which had been delayed, the justification for this and potential cost implications.

RESOLVED:

- (a) That the update now provided be noted;
- (b) That the Director of Corporate Resources be requested to consider the concerns now raised by the Commission and to provide an update in the next MTFS Monitoring report to the Commission in the Autumn.

65. Date of next meeting.

RESOLVED:

It was noted that the next meeting of the Commission was scheduled to take place on 14 April at 10.30am.

10.00 am - 11.42 am
15 March 2021

CHAIRMAN

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SCRUTINY COMMISSION: 9th JUNE 2021

COMMERCIAL STRATEGY ANNUAL UPDATE

REPORT OF DIRECTOR OF CORPORATE RESOURCES

Purpose of report

1. The purpose of this report is to update the Commission on the performance of Leicestershire Traded Services during 2020/21 taking account of the impact that Covid 19 restrictions have had on these services. The report also seeks the views of the Commission on future plans for recovery and growth.

Policy Framework and Previous Decisions

2. In November 2013, at a meeting of the Scrutiny Commission, a report on the progress made on traded services was considered. The Director of Corporate Resources welcomed the opportunity to have elected Members involved in the process of reviewing and shaping the Council's future approach to trading.
3. At that meeting there was agreement that it was important to continue trading and to retain and build upon existing business, particularly in relation to schools.
4. A Scrutiny Review Panel commenced a Review of Traded Services in June 2014 reporting to Cabinet on 19th November 2014. The Cabinet accepted the recommendations of the Panel and asked the Chief Executive to ensure that they were acted upon.
5. With continued financial pressure on the County Council the requirement to raise additional revenue has become a key element of the Council's Transformation Programme and has been specifically included in the County Council's MTFS since 17th February 2016.
6. In June 2016 the Scrutiny Commission received an update on the progress that had been made in delivering the recommendations of the Scrutiny Review Panel.
7. The Commission considered a report of the Director of Corporate Resources on 6 June 2018, which sought its views on the Outline Commercial Strategy and Workplan 2018-2022. The Scrutiny Commission gave its strong support to the Commercial Strategy, recognising that traded services provided an income which protected frontline services. It hoped that the Council would continue to identify new commercial opportunities.

8. The Strategy was subsequently approved by the Cabinet on 6 July 2018 which further resolved that an Annual Report on performance against the Commercial Strategy should be submitted to the Cabinet and the Scrutiny Commission each June.
9. An annual report was presented to the Scrutiny Commission and the Cabinet in June 2019 when performance against targets was noted and future developments welcomed. Due to the Covid 19 pandemic an annual report was not presented during 2020. Instead, updates on the impact of the national and local lockdowns on Leicestershire Traded Services was included within the Council's wider Covid 19 impact, response and recovery reports both to the Commission and the Cabinet throughout the year.

2020/21 Activity and Performance

10. The past year has been extremely challenging for Leicestershire Traded Services (LTS) and trading activity has been severely affected by the Covid pandemic. Restrictions were imposed across the country to keep staff, customers and communities safe. These included 'stay at home' orders being issued by the Government which prevented all but essential travel, the closure of schools to all children except for children of key workers, and varying degrees of social distancing.
11. This led to significant reductions in income in most areas of LTS which was only partly offset by good cost control, support from the Government's Coronavirus Job Retention Scheme and the Sales, Fees and Charges Income Compensation Scheme.
12. The overall financial result for Leicestershire Traded Services in 2020/21 as shown in the table below, was a net spend of £39,000. This compares to a budget target of a net contribution of £1,918,000, which was set in February 2020 as part of the Council's Medium Term Financial Strategy agreed before the Covid pandemic began. As part of the long term approach to improve the profitability of LTS in line with the Commercial Strategy and Covid Recovery Plans, Action Plans were implemented during the pandemic to reshape specific business units within Catering and Hospitality. These had a one off redundancy cost of £100,000 and without this one-off cost, a net contribution of £61,000 was generated by LTS.

LTS Financial Performance 2020/21			
	Actual (Surplus) / Cost 2020/21	Budget (Surplus) / Cost 2020/21	Better / (worse) than budget
	£000	£000	£000
LTS	(61)	(1,918)	(1,857)
Restructuring costs	100	-	(100)
Total LTS	39	(1,918)	(1,957)

13. Across the trading units, Beaumanor Hall, cafes and the theatre closed during the year, with cafes reopening when possible to provide a takeaway only service. Leamis, HR, Health and Safety and the Music Service rapidly changed to online delivery to schools. This involved replacing face to face meetings with Teams meetings with Head Teachers and School staff to provide HR and other professional advice. The music service began online lessons to classes in schools when they returned, to individuals at home, and provided for online rehearsals and performances.
14. School food has had to adapt to schools opening and closing whilst continuing to support vulnerable children and the children of key workers. Meals in line with national nutritional standards were provided in schools for vulnerable pupils and a small number of food parcels provided at the start of the spring term when schools were not allowed to reopen and before the national voucher scheme was implemented. The service also set up and administrated the Free School Meal Voucher scheme through the school holidays. Property Services continued to operate.

Future plans for recovery and growth

15. Across LTS there will be a new focus on building all our businesses back up stronger and more sustainably. Some of the key areas of work planned for the coming year are set out below:
 - The implementation of revised operating models introduced in Beaumanor Hall, the cafes and the County Hall Food Court aimed at reducing costs and focussing on the most profitable activities. Opening hours have been reviewed and will be amended in line with footfall, seasons and events on an ongoing basis.
 - The growth of School Food services, building on the additional £1.2m worth of business recently secured in Luton.
 - Once the improvement works are completed at the Century Theatre this will be reopened and, combined with the new café, new packages of entertainment and dining developed.
 - Work will be undertaken with colleagues in Heritage to join up across various attractions to create more holistic visitor experiences and events and to develop new income streams. This will include holding events in Country Parks and the opening of cafes on summer evenings.
 - Finance and operations support will be reviewed with opportunities to automate and digitise back office services explored where it can be ensured these will improve our processes and systems where required.
 - In Peoples Services focus will continue to be given to the provision of a digital offer for both current and prospective customers, and new business via national frameworks will be sought, as will opportunities to diversify into other markets.

- Redefining the Central Print Service and increasing sales in Hard FM (construction and development services), compliance services and advice regarding building safety and Sites Development (minor building works, grounds maintenance and landscaping).
- The production of detailed operational Business Plans for all operating areas with detailed financial targets and clear operating parameters which will support control of costs and risks, as well as ensuring greater profitability. These will be monitored in a new Monthly Review process.
- Driving improvements in customer service including the introduction of regular digital customer satisfaction surveys across all areas and increased communication with customers.
- Continuing the digital first digital marketing strategy, introducing new software and segmenting markets and audiences to ensure we are reaching the right customers.
- The Service will continue to look for opportunities across the County Council in line with the Corporate Commercial Strategy 2018 - 2020, to support the delivery of the MTFs.

16. Further details of the activity over the past year and future plans are provided in the Appendix attached to this report.

Resource Implications

17. The overall financial result for Leicestershire Traded Services in 2020/21 is a net spend of £39,000 compared to a budget target of a net contribution of £1,918,000, which was set before the Covid pandemic.
18. The MTFs contribution target for 2021/22 is £1.5m. Whilst we have seen a start to the gradual lifting of the pandemic restrictions, they have remained in place in the early stages of 2021/22. There remains uncertainty about the timing of further changes to restrictions and a risk of new Covid variants emerging both of which could impact on the ability of LTS to deliver its target.

Timetable for Decisions

19. The Annual Commercial Strategy Report will be considered by the Cabinet at its meeting on 22nd June 2021. The views of the Scrutiny Commission will be reported to that meeting.

Background papers

Scrutiny Commission - 6 November 2013 - Traded Services

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=137&MId=3605&Ver=4>

Scrutiny Commission - 5 November 2014 - Final Report of the Scrutiny Review Panel on Traded Services

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=137&MId=3938&Ver=4>

Scrutiny Commission - 15 June 2016 - Update on Leicestershire Traded Services

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=137&MId=4539&Ver=4>

Scrutiny Commission - 6 June 2018 - Outline Commercial Strategy and Workplan 2018-2022

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=137&MId=5305&Ver=4>

Cabinet - 6 July 2018 - Outline Commercial Strategy and Workplan 2018-2022

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=5412&Ver=4>

Scrutiny Commission - 12 June 2019 - Annual Commercial Strategy Report

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=137&MId=5697&Ver=4>

Cabinet - 25 June 2019 - Annual Report on the Commercial Strategy 2018/22 –

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=5604&Ver=4>

Circulation under the Local Issues Alert Procedure

None

Equality and Human Rights Implications

19. There are no equality or human rights implications arising directly from this report. If services change in the future EHRIA's will be undertaken as required.

Appendices

Appendix – LTS Review and Outlook 2021/22

Officer to Contact

Neville Wilkinson Head of Commercial Services

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Leicestershire Traded Services Review and Outlook for 2021/22

School Food

Reflecting on last year's performance:

Throughout 2020/21 LTS Catering School Food continued to provide all our customers with catering services in what were very challenging and difficult circumstances. Ultimately, from a financial perspective the impact on income was significant but with support from customers in respect of supplier relief payments, furlough claims, very active control of food and labour costs and access to sales/fees and compensation the year ended with a £136k surplus. Our teams ensured vulnerable and key worker children were catered for and some volunteered to be seconded to the NHS to support the overall Covid response. The team also provided support corporately in providing food parcels for vulnerable shielding residents across the County.

Our business development opportunities were limited, as many schools/academies delayed or shelved their ambitions to put catering contracts out to the market and this ultimately influenced our ability to meet the required budgetary levels of contribution required. An opportunity to tender for 15 sites in Luton did arise and our tender was successful, adding additional income worth £1.2m per year.

Other significant highlights:

Retained Gold Food for Life accreditation - reinforcing our quality food provision
Won a national training award through LACA in September 2020 – for the dedication in workforce training and apprenticeships.

Challenges:

Variations to contract specification and the delivery of services challenged our resolve and impacted greatly on our levels of profitability and productivity due to the diverse requests from customers.

Whilst ensuring all of our customers' requests were met, the situation did further prompt our need to amend our contract specification and reduce our commercial risk, changes now support guaranteeing income at times when services are greatly affected.

Although a challenge – School Food embraced the new 'virtual' world and have reviewed, developed, and implemented new processes and procedures that will certainly drive our productivity in 21/22.

The National Living Wage adds c500K to our labour costs every year. This will be mitigated by a new business target of 20 new contracts will offset some of this cost, along with meal price and fixed cost increases, as well as very tight control on labour and food costs.

MAT's that are current customers, continue to be a significant challenge as they seek to re tender and consolidate suppliers, but this is also an opportunity to develop and refine cost effective catering 'packages' that provide a 'MAT deal' Tendering for new business via procurement portals remains a real challenge to us. This market is very competitive, and our labour costs are very high in comparison to some of the private contractors.

Our 'visual' presence and marketing strategy will be reviewed to capitalise on our USP's in the market through social media.

Looking forward to this year:

It is hoped that from Sept 2021 schools will be in a position to return to normal service provision and our levels of productivity will return along with a sustained level of meal uptake.

A new menu will be introduced and further support to schools to drive profit share incentives to secure longer contracts for the service.

An increase of 5% on fixed costs from April for all new contract renewals and a meal price increase of 5p from Sept will bring further income generation.

Contract specifications have been re-drafted and reviewed by external commercial solicitors to ensure that they will provide more 'security' in terms of guaranteed payments in the future.

New business opportunities postponed last year will present themselves and in conjunction with finance business partners a new pricing model will be developed with the aim of securing more new business.

Professional & Business Services (PBS) Overview

Reflecting on last year's performance:

The whole of PBS rose to the challenges of the pandemic to ensure Service Level Agreements could be delivered remotely, using technologies to host events, develop an eLearning training service, support other services to utilise the technology of LTS online for training, SLAs and invoices, delivering a tight schedule of DfE Laptops for vulnerable students, assist I&T with the overwhelming number of technical calls, deliver financial support service remotely, gained accreditation in supporting an alternative MIS to SIMS, learnt and rolled out across the team a 'cloud based' service desk tool within two weeks of lockdown, all whilst maintaining a 'business as usual' service, receiving many compliments from customers.

Challenges:

Cloud Management Information Systems (MIS) remains a challenge in particular the target market is Multi Academy Trusts as there is a need for trust wide analysis of key data. As a result, LEAMIS have lost contracts with some schools to cloud

systems. MATs are growing and remain a threat to business when moving to a cloud system obtaining support direct from supplier.

To try and combat this loss of business Leamis now supports 3 different MIS suppliers, which will put the service in a better position for customer retention. In addition, the team are carrying vacancies, which weren't filled during the lockdown period, there is now an increase in demand for new business and the posts will be filled to deliver the necessary services.

Looking forward to this year:

The 2020/21 service level agreement will see Professional and Business Services (PBS) diversify to deliver more online webinars to targeted groups of users, improving their skills set, sharing best practice and keeping up to date with the current move in legislation with exams i.e. Webinars are being held for Data managers, Exam Officers, and new this year will be financial and technical webinars. This provides an opportunity to ensure communication with customers can help them access relevant and up-to-date guidance via LTS Online, get to know what their vision is, what they need, what they want.

Leamis provides cost effective products and services to schools and academies and now includes support for a new digital cloud service to enhance teaching and learning, parental engagement, reduce paper costs, reduce impact on the environment, meet the digital agenda and help improve better outcomes for pupils in Leicestershire.

PBS will continue to work in partnership with internal services to help remodel and deliver an effective budget management service to enhance the School Financial Services. The technical services are working closely with suppliers to deliver full use of 'google in the classroom'. Leamis are also working with suppliers to market our secure remote backup service to help our customers grow in confidence with their use of technology and peace of mind using our acclaimed backup service. Cyber security remains a threat to data in schools, therefore Leamis is currently contacting all our customers regarding their data backup options, this will include marketing the service to new customers including nursery sector and private establishments.

People Services (HR, H&S and L&D) Overview

Reflecting on last year's performance:

The previous year has been unprecedented due to the impact of the pandemic. However, despite this, much of our work has continued both from a customer facing service perspective and a back office one. Over the last year HR and H&S service level agreements have been added to LTS online. This has allowed our customers to renew their Service Level Agreements (SLAs) and purchase additional services directly. It has also contributed overall to the Council's and trading services digital agenda and as had a positive impact as the SLAs are now more transparent, refined, easier to understand and more importantly, purchasable.

New cost-effective packages and services have been offered through a new digital approach including a number of our training offers. This has provided customers with a wider choice to meet their business needs. Despite the impact of Covid customers have been retained and contributed in excess of c.£120k profit across the three distinct areas within People Services.

Challenges:

Covid has inevitably had an impact on service delivery, in particular the challenge of how to provide services remotely. Service delivery has been adapted to digital wherever possible and this has enabled most of the services provided as part of the SLA's to continue.

One of the key challenges for Health and Safety was the impact Covid placed upon the risk assessment process and workplace activities including audits, training, and site visits. A continued area of challenge for HR is the growth of multi academy trusts, where they centralise the 'back-office' services and appoint their own in-house specialists.

Budgets continue to be stretched for our customers so in order to retain their business HR have promoted a loyalty discount for customers that buy into a multiple year SLA. This has proven popular, in particular with Multi Academy Trusts.

Looking forward to this year:

Following the successful appointment of an Adviser to the Learning & Development team a traded service offer has been developed and although it is early days this is already starting to generate additional income.

HR and H and S are committed to becoming part of the framework supporting the DfE's 'buying for schools' initiative being launched nationally this Autumn. The focus on the provision of a digital offer for both current and prospective customers will continue, as well as scoping our service offer to meet national needs, to be met through the offer of cost effective products and services.

Diversification of our customer base through the active marketing of our services and products beyond the education sector is key. To achieve this, Peoples Services will continue to be proactive understanding both current and new customers' requirements. Our services and products are flexible enough to respond to their business requirements in an ever-changing world of business priorities.

Operational Property Service (OPS) & Facilities Management (FM) overview

Reflecting on last year's performance:

Within a challenging year, all OPS teams have been operational during all lockdowns over the last 12 months. There has been some significant growth in contribution against trend from traded, "Soft FM" services including Cleaning & Ground Maintenance Services, Premises Support Services, Furniture Moves & Logistics

Services. This has been achieved through securing additional clients and winning contracts and responding to COVID related initiatives.

“Soft FM” achieved an 23% increase in contribution from the 19/20 figure of £225k. The Traded Premises Support team achieved a 60% increase in contribution from 19/20.

The Furniture & Logistic Team out turned 36% above 20/21 target, a 116% increase on 19/20

Hard FM achieved a £72k contribution against a £66k cost in 19/20.

Challenges:

Facilities tender opportunities reduced considerably this year with many potential bid opportunities being delayed during the pandemic.

The team were still able to tender for 24 bids for new contracts and achieved a 37.5% success rate by winning 9 of the tenders submitted. The team were successful in securing a 5-year contract for Stratford-on-Avon DC Building Cleaning. The LTS Print Service and Sites Development team have been heavily impacted by COVID restrictions, with clients suspending operations and reducing the volume of orders.

The Print team have supported other teams and frontline efforts against COVID with the distribution of PPE and the manufacture of COVID related signage. They have successfully tendered and won a place as a print services framework supplier for UCL, London.

The impact on all traded services has been mitigated by staff being redeployed to support other service areas where staff may be shielding or dealing with increased workload on frontline services due to the pandemic. Financial impacts on affected services have been mitigated by Individuals being furloughed or part-furloughed aligned to levels of traded business activity which has fluctuated during the various Government restrictions.

Looking forward to this year:

The Central Print Service will be redefined to align with new ways of working that LCC will be adopting going forward. This presents challenges with an increase reliance on digital resources to support home and remote working, but potential opportunity, with virtual mail and remote postal operations requiring printing resource to deliver this effectively. It is hoped that this, supported by the new bid and tender resource, will inform and shape the new LTS Print Service operating model for the future.

New marketing materials have been developed for the Hard FM, compliance services and external site landscaping services which will ensure a pipeline of work is maintained. The Sites Development Team already have a pipeline of summer works amounting to £350k.

Hospitality and leisure overview

Reflecting on last year's performance:

Working through covid conditions the Hospitality and Event sector was closed from March 2020 only having the country park cafés and county hall catering operating on a low-level staffing and catering offer.

As the event side of the business closed along with all attractions the cafes, in particular the Beacon Café excelled in footfall and higher sales.

Colliery Café was successfully opened within the Snibston Discovery Park in December 2020 footfall and interest is gathering, and plans are underway to work with all departments involved to expand and promote the site once possible.

County Hall catering has not closed over this period and changed offers in line with the customers' requirements, from retail/shop to hot and cold offers, open 5 days a week for the staff that are still working within County Hall.

Nearly of Beaumanor Hall staff have been redeployed to different departments within the council to support services that have been running throughout this period. Beaumanor Park also closed in line with government guidelines and interest is high for returning schools.

Demand for private hire for the Hall is high for the rest of 2021 onwards with dates filling up fast, The Business Development Manager is carrying out 2-3 show rounds a day for Parties and Weddings.

The shutdown period has given time to review the offers and staffing structure to deliver all packages. Beaumanor Hall is due to re-open from the 21st June with a 3-month planner of events in line with confirmed private hire bookings.

Challenges:

One of the main challenges this year within the hospitality sector and educational side of the business is the changing government guidelines to plan a recovery roadmap to re-open sites and services.

The success of Beacon Hill café means that there needs to be a review of the equipment in the Café as it wasn't designed to deliver the footfall of trade and will not be able to maintain customer expectations. Some investment may be required to support and grow the business.

Competition for customers in the café's will be intense in the coming year as the sector reopens and as people go back to doing the activities they used to before restrictions.

Providing hospitality events and educational visits in a Covid safe manner will be a challenge and may affect capacity and profitability.

Looking forward to this year:

In order to achieve growth suitable opportunities will be tendered for when they arise.

A review on all prices of services and catering offers will be undertaken for all outlets in line with the customer base.

There will be a focus on marketing the Colliery Café along with the whole Snibston site to raise awareness and gain footfall.

As all the sites start to reopen, joint working with colleagues across all sites to create a joined-up working structure for all site's e.g. running joint events, offering packed lunches for educational visitors to heritage centres, children's birthday parties.

Tap into different income streams, pop up markets, farmers markets, support local independent businesses as restrictions start to lift.

Leicester-Shire Schools Music Service**Reflecting on last year's performance:**

On April 20th, 2020 the Leicester-Shire Schools Music Service launched a new structure in the middle of lockdown. A successful series of online activity and innovative school and home learning packages has been developed. This includes a series of activities for pupils and their families streaming live on our [YouTube channel](#) from 3.30pm every weekday, the sessions aim to help young people continue to engage in music making while learning at home. Within the first few days of running the videos had more than 1,750 views and as the programme went on, more parents and teachers got involved. A teacher at a local Primary School, said: "A huge thank you to everyone working extremely hard to provide these wonderful music resources for our students! The students are engaging really well with the resources being provided by LSMS."

The Century Theatre was successful in obtaining the full amount (£250k) from the Culture Recovery Fund which helped to sustain the theatre's future and allowed for promotion of CT Academy – performing arts classes.

Our new partnership with Royal Birmingham Conservatoire and Julian Lloyd Webber (our new patron) kicked off with '**Soundtrack to Leicestershire**' a composition competition judged by Segun Akinola composer of the Dr Who soundtrack for BBC. Winning entries appeared on the LSMS website / social media and also featured in the 'Leics Make Music' first online festival on Tues 14th July 2020.

'**Leics Make Music**' – LSMS' first online Music Festival were created and curated with young people involving schools, performance groups, bands, producers and professional Headline acts (Leicestershire alumni) to provide aspiration / inspiration. The LSMS Youth Ambassadors were heavily involved in setting up the Festivals (July and December).

'A Million Dream's - Virtual choir launched 4th June 2020 with Mark de-Lisser. Mark worked with a large number of Leicestershire schools. Over 550 young people have registered to take part and the finished performance headlined the LSMS Leics Make Music festival. Online resources and support packs created to support schools and pupils to develop their singing.

LSMS Performance Groups have been meeting regularly online working with staff, hub partners, youth ambassadors and the Hub Executive Board to reshape our vision and values.

Challenges:

Rebuilding our core offer after the pandemic the service needs to be more flexible about the kind of services that are offered. There has been a decline in numbers attending the central ensembles online and in schools offering whole class music teaching. A key challenge is to make the offer more inclusive and have set a target to increase participation of young people from Leicester and Leicestershire in activities funded by LSMS & the Hub to 20%, of which 25% should be from disadvantaged backgrounds.

Looking forward to this year:

The publication of a new (non-statutory) Music Model Curriculum for primary and secondary schools was launched by the DfE on March 26th 2021 has raised the status of music education in schools and given us an opportunity to develop our professional development offer to schools. A researcher working on a documentary about Sir Michael Tippett (ex Leicestershire Schools' Symphony Orchestra conductor) is working with alumni from the LSSO gathering memories of the orchestra. This will be used to inspire the next generation and consider the works of Sir Michael Tippett with the current LSSO.

[Girl Guide Music Badge](#) – The Music Service is working with the Guide Association on a badge. Details have been sent out on the Guide Leaders Bulletin and via our social media

[Make Your Own Kind of Music](#) - A new virtual singing project from Leicester-Shire Schools Music Service for everyone – individuals, schools, choirs, community Groups etc – also includes Signing

[Grime Opera Chorus](#) - LSMS partnering with our partners Pedestrian and Charanga to put on an online performance of Here and Now, from Max Wheeler's Grime Opera - for all singers aged 12-18

[Leics Make Music After School](#) – An online music club starting 20th April - a fun way for children to get involved with music at home. Designed specifically for KS2 children in years 3 – 6 are proving popular.

The Century Theatre will be reopening with the upgraded lighting and ventilation funded by the Arts Council Cultural Recovery Grant.

Marketing Overview

Reflection

2020/21 was turbulent for many services in the LTS portfolio. Marketing to get new business and securing contracts became a bigger challenge than ever before and pressure on resources was high. Despite the setbacks, there were huge triumphs as our digital-first approach carried the sectors forward, giving them the opportunity to bounce back stronger with the support of clients and the public. Media coverage naturally dipped with just 47 articles being published throughout the year on LTS, Heritage, Leisure and Country Parks. Although media took a bit of hit with local headlines on the pandemic leading the competition for the spotlight, there was rapid growth in social media following and engagement, notably the Colliery Café. After opening only in December 2020, the newly built Facebook channel gained more than 500 likes/follows in under four months. Country Parks visitor numbers tripled in some parks, having a significantly positive effect on the operations and outputs of the three cafes – Beacon Hill Café, Colliery Café and 1485 Tithe Barn. With the recovery of sectors came government funding. The Century Theatre was successful in obtaining the full amount (£250k) from the Culture Recovery Fund which helped to sustain the theatre's future and allowed for promotion of CT Academy – performing arts classes.

There has been shared learning across all sites with digital activities and outdoors activities maximised. Outdoor hunts, colouring in sheets, online quizzes, baking at home, school food recipes, personalised messages from acts and performers all formed part of the rolling social media strategy – to keep people involved until they could be welcomed them back properly. The success of services who adapted and shifted to support schools was highlighted – packaging positive media stories to highlight how those eligible for Free School Meals were supported when schools were closed and provided reactive and responsive statements as Marcus Rashford fought for better school food provision. For the first time in four years, LTS did not attend trade shows and instead scrutinised how to continue to stay in touch with existing and potential clients through direct mail. Customer engagement increased significantly, and there was a shift in the way people wanted to access information.

Technology evolved to support the UK workforce and people were spending more time online than ever before. Snibston Colliery Park was opened successfully, complete with bike trails and identified a phased approach to marketing activity that would allow to promote each of park's elements when the time was right for the industry. There was also our first ever crowdfunding operation raising £60k for the Watermead Memorial Walk.

Looking forward

2021/22 will be a focus on stabilising and recovering the services that have been dramatically hit by the pandemic. Customers will be kept informed by ensuring email marketing lists are up to date and reflective of current offers. Adopting teaser campaigns, prize draws and offers will set us apart as in competitive markets – especially hospitality and education support services. Collaborative offers will be developed that make use of our spaces, venues and attractions – specifically looking at promoting private hire and photoshoot/film destinations. Working with colleagues

in BI, research will be undertaken to understand how customers behaved during the pandemic and how they're likely to behave going forward. The data, insight and feedback gathered will underpin activity and selected methods of marketing. From the offset, LTS will be looking to reposition ourselves in the media marketplace – packaging stories for local press and seeking out headline successes for regional and trade press. As part of this, PR opportunities will be sought out, packaging stories and shattering content to ensure the best use of media connections and resource available. Ultimately the pandemic brought services closer together and LTS will continue to develop cross-selling products and services that highlight the offer.

Business Intelligence overview 2020/21

In the past year the Business Intelligence Service has continued to provide commercial research and insight support to services across LTS and the Council's wider commercial programme. Access to valuable learning from existing data and new data from customers has been achieved via a range of approaches including customer engagement activities and data analysis. For example, Google Analytics dashboards for a range of sites (e.g. Beaumanor Hall) provide insights into online customers, including their demographic profile and online behaviour. Tailored customer engagement activities have helped to shape future service strategies. For example, an online forum and survey for the Music Service gathered feedback from young people and other stakeholders to inform future service planning.

Implementation has also started on ServMetric, a collaborative platform to automatically gather, measure and report on customer feedback across a range of services and via a range of channels including email, telephone and web. During the year there has also been a focus on helping to find new business and customers. For example, interactive dashboards have been developed to provide ongoing information regarding tender opportunities and competitor intelligence for school food and human resources. Literature and online research have also contributed to business development, for example horizon scanning and research into school food performance at other local authorities have helped to secure new contracts (e.g. Luton) and indicate further areas for investigation. Other examples include identifying new-build schools due to open and researching additional markets for Strategic Human Resources.

Support for the wider commercial agenda has included research and analysis projects related to a range of services, for example adult learning, commissioning, procurement and Extra Care.

The coronavirus pandemic has created many new challenges, including changing priorities and remote project management. However, it has also presented an opportunity to provide both pro- and re-active business intelligence support. Examples include research on the impact of the pandemic on school food and the outdoor education sector. An interactive dashboard summarising the impact of coronavirus on other local authority traded services has also been developed.

Support directly linked to the pandemic is ongoing, with customer feedback projects taking place to gather valuable insights on past, current and future service delivery across traded services.

Going forward there are many opportunities to build on existing research support and further contribute to the Council's commercial strategy. This includes identifying and making best use of new and existing intelligence, for example analysing customer data and feedback related to the development of the eLearning offer by various services including Leamis and Governor Support and Development. Advances in business intelligence, for example Tableau software developments will also enable new and innovative approaches to providing research support for the commercial agenda.

Financial Performance

LTS Financial Performance 2020/21			
	Actual	Budget	
	(Surplus) / Cost	(Surplus) / Cost	Better / (worse)
	2020/21	2020/21	than budget
	£000	£000	£000
LTS	(61)	(1,918)	(1,857)
Restructuring costs	100	-	(100)
Total LTS	39	(1,918)	(1,957)

The overall result for LTS in 2020/21 is a net spend of £39k. This compares to the budget target of a net contribution of £1,918k, which was set before the Covid pandemic. As part of the long term strategy to improve the profitability of LTS, Action Plans were implemented during the pandemic to reshape specific business units within Catering and Hospitality. These had a one off cost of £100k and without this one off cost, a contribution of £61k was generated by LTS.

The trading nature of LTS' operations were significantly affected by the restrictions imposed across the country in response to the pandemic. These were essential in keeping staff, customers and communities safe and the following occurred:

- Several instances of national lockdowns, where a 'stay at home' order was issued for all except essential travel
- Several instances of local lockdowns, which affected districts of Leicestershire and Leicester City to varying degrees at different points in the year
- Closure of schools to all children except for children of key workers
- Social distancing measures, which required the full or partial closure of some hospitality businesses
- Customers prioritising their response to the pandemic and changing restrictions over development or other activity

This led to significant reductions in income in most areas of LTS which was only partly offset by cost control, support from the Government's Coronavirus Job Retention Scheme and the Sales, Fees and Charges Income Compensation Scheme.

LTS Financial Performance 2020/21			
	Actual	Budget	
	(Surplus) / Cost	(Surplus) / Cost	Better / (worse)
	2020/21	2020/21	than budget
	£000	£000	£000
Commercialism			
Leisure & Hospitality	253	72	(181)
Education Catering	(136)	(981)	(845)
Beaumanor	226	(200)	(426)
LTS Catering	343	(1,109)	(1,452)
Music Service	-	-	-
LTS Professional Services	(713)	(765)	(52)
LTS Infrastructure	253	229	(24)
Total Commercialism	(117)	(1,645)	(1,528)
Corporate Services & Operational Property			
Parks & Forestry	72	(5)	(77)
Hard FM	509	401	(108)
Soft FM	(426)	(404)	22
Print	1	(77)	(78)
LTS Property Services	156	(85)	(241)
Unallocated target	-	(187)	(187)
Total LTS	39	(1,918)	(1,957)

Catering was the division most significant affected by the pandemic within LTS.

Educational catering ('school food') saw revenue fall to £11.4m compared to a budget of £17.7m. Schools closed to all children except for those of key workers from March 2020 – June 2020, with some reopening for a small number of year groups in June/July before the summer vacation period. Most schools started a phased return in the Autumn but a second national lockdown took place between January 2021 and March 2021. This was in addition to any school or class level isolations which took place throughout. In this challenging environment Educational catering was still able to generate a contribution of £136k.

Leisure and Hospitality operated throughout the pandemic, although for most of the year this was only allowed on a takeaway basis, or using outside spaces. High levels of fixed costs gave limited ability to scale down in the short term to compensate for the reduced demand, although the structure does mean the businesses have been able to quickly respond as restriction start to ease. The restrictions left Beaumanor unable to host events at the hall, or host schools in the outdoor spaces.

Other areas were affected to a much lessor extent.

Looking ahead to 2021/22, whilst there has been the gradual lifting of restrictions from Spring 2021, restrictions remain in place which impact LTS. Only in May were cafes allowed to open their indoor space and the current guidance from the Government estimates that further restrictions will be lifted no earlier than late June, which could be the earliest date Beaumanor hall could open. Fortunately, the restrictions have not been materially affecting school opening thus far although with the risk of further variants this remains a risk which is being monitored. As a result of the above, and the uncertainty, 2021/22 is being seen as a recovery year.

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Overview and Scrutiny Annual Report 2020/21



Foreword by the Scrutiny Commissioners

During 2020/21 the Covid-19 pandemic has dominated our lives and we have seen unprecedented changes across the country to tackle the outbreak. This has been a very difficult time, and everyone has and continues to be affected in some way. The County Council has been working extremely hard to help and support its residents and businesses, and staff have quickly adapted their working practices to ensure the continued operation of services. County Council officers at all levels have worked tirelessly to support and protect Leicestershire residents and we wish to thank them for all their hard work.

The challenge of overview and scrutiny has always been crucial in supporting the delivery of high quality services. This work has continued throughout 2020/21 despite difficulties arising from the pandemic.

The introduction of new, temporary legislation enabled councils to hold meetings remotely. Therefore, since April 2020 all scrutiny meetings have been held virtually and webcast live. This has allowed the public to still engage in the process whilst following government advice to stay at home. It has also ensured all critical decisions on the delivery of Council services have continued to be made in a way that is both transparent and accessible to the public with Scrutiny able to play its key role in that process.

The level of public interest in our work has continued to grow, with a record number of questions being asked at our meetings: 72 from members of the public and 39 from elected members. We hope to see this continue in 2021.

We have continued to hold our Cabinet colleagues to account for the performance and delivery of services. We are grateful for their attendance at our meetings to answer our questions. We are also thankful for the input of partners and stakeholders and, as always, for the support and advice of officers.

This particular Annual Report marks the conclusion of the activities of Overview and Scrutiny over the last four years of this Council. It is therefore the appropriate time to thank all our fellow members who have served on Committees and Review Panels during this time. We should also particularly wish to thank those members who have contributed to Overview and Scrutiny who did not stand or get re-elected in the May County Council election and this includes both Scrutiny members and members of the Cabinet who have supported our work.

This report is not a complete commentary of everything we have achieved but a summary of some key highlights of our work during 2020/21 and of what we anticipate will be undertaken during the coming year. We hope you enjoy reading it. You can find out more about our meetings [here](#) and view a meeting on the Council's YouTube channel [here](#). All scrutiny meetings are open to the public and if you would like to get involved, the scrutiny team's contact details are at the end of this report.



Simon Galton CC



Peter Bedford CC



Terri Eynon CC



Rosita Page CC

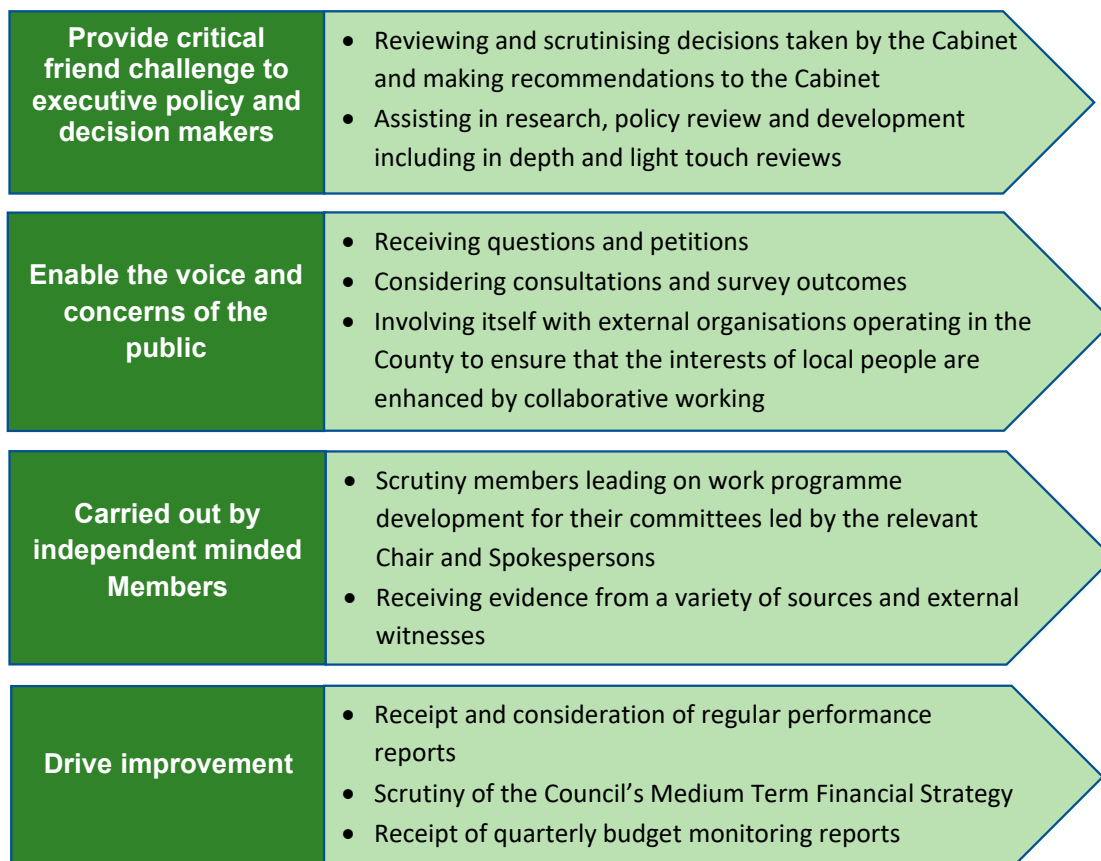
The four Scrutiny Commissioners are responsible for leading the Overview and Scrutiny process, deciding on priority issues for Overview and Scrutiny Committees and areas that merit review by a Scrutiny Panel.

What is Overview and Scrutiny?

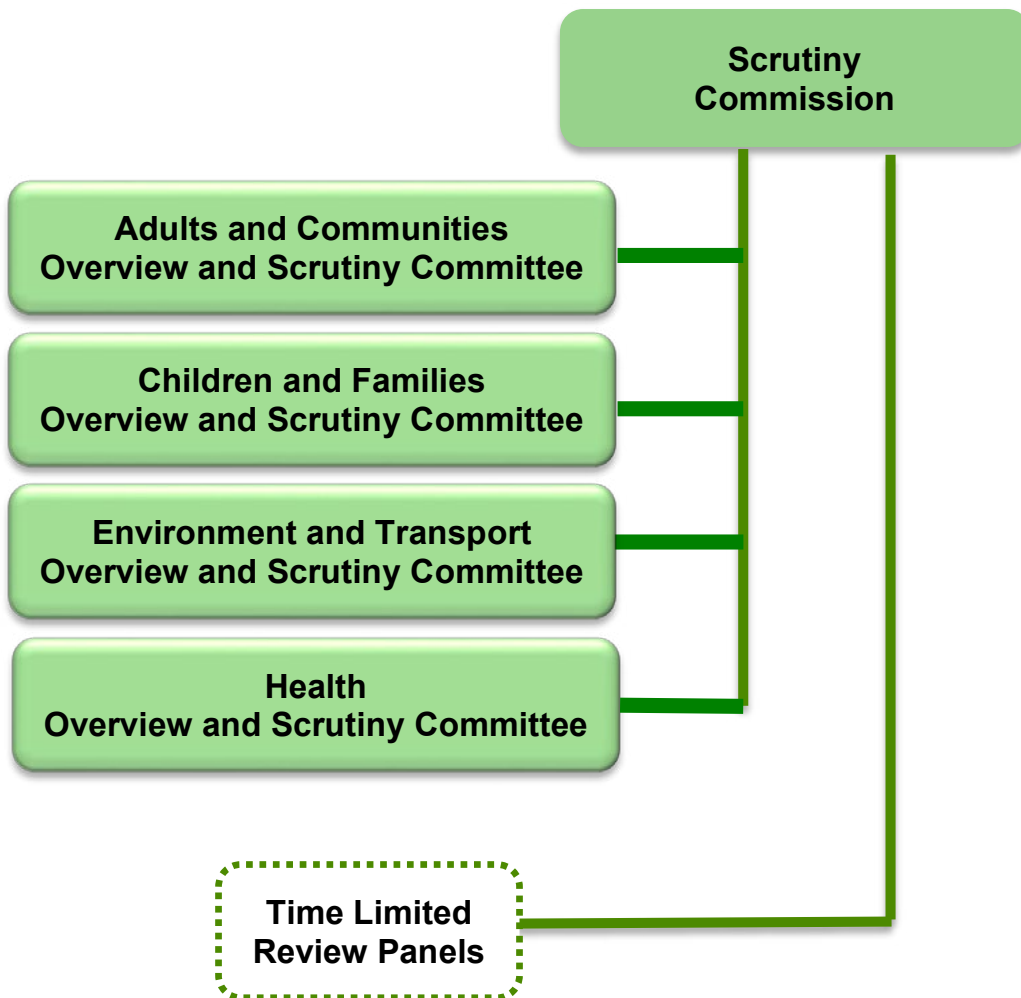
The purpose of overview and scrutiny is to hold decision makers such as the Cabinet to account for decisions they have made or are planning to make, to monitor the performance of services and the outcomes delivered for the residents of Leicestershire, and to assist the County Council and the Cabinet in the development of its budget and policy framework. As well as scrutinising the work of the County Council and the Cabinet, overview and scrutiny has an important statutory role in the scrutiny of health and crime and disorder.

Scrutiny is a statutory requirement for local authorities that, like Leicestershire County Council, operate a Leader and Cabinet (Executive) model of decision making. Overview and Scrutiny committees do not make decisions but instead monitor and influence the Council's Cabinet which does. The overview and scrutiny role, carried out by non-Cabinet members, is designed to support the work of the Council and its Cabinet.

We have embedded in our approach to scrutiny the four principles of good scrutiny developed by the Centre for Governance and Scrutiny as follows:



In Leicestershire all scrutiny work is carried out by the Scrutiny Commission, the lead Overview and Scrutiny body, and four service-based Committees as set out below.



In addition to the committee-based work they carry out, Overview and Scrutiny Committees can also initiate time limited task and finish work to look at a particular issue in more detail. Scrutiny Review Panels, as they are known, are usually made up of five members and their recommendations, which may suggest a change in policy or service provision, are submitted to the relevant parent committee prior to consideration by the Cabinet.

All Overview and Scrutiny meetings are held in public. Attendance and involvement of the public is actively encouraged. This can include questions or petitions to be put at our meetings or suggestions for our work programme.

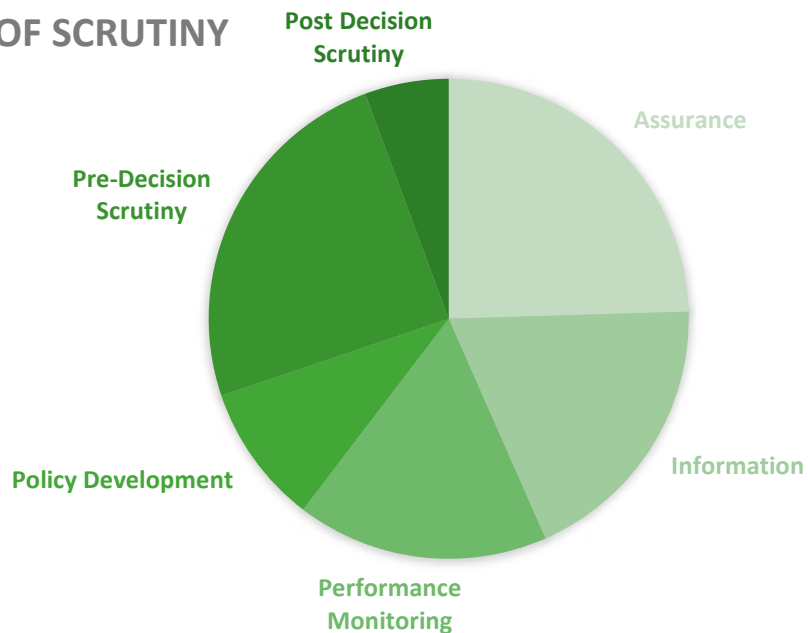
For further information about the Overview and Scrutiny process and how you can get involved please visit our website: www.leicestershire.gov.uk/overview-and-scrutiny

Overview and Scrutiny activity in 2020/21 at a glance



The chart below provides an overview of the breadth of scrutiny work undertaken this year.

TYPES OF SCRUTINY



The Council's webcast of Scrutiny meetings received 3,627 views.



We welcomed questions, 111 in total, on some of these subjects from both the public and other elected members.



Representatives from the following organisations have taken part in our meetings or submitted representations:

- Leicestershire Police
- Severn Trent Water
- The Local Resilience Forum
- The Environment Agency
- The NHS
- Leicester, Leicestershire and Rutland CCGs
- Nottingham and Nottinghamshire CCGs
- District Councils
- Members of the Public affected by Flooding events
- Healthwatch
- The Leicester and Leicestershire Enterprise Partnership
- Leicester City Council
- Leicester and Rutland Safeguarding Adults Board

1.

The Scrutiny Commission

The Scrutiny Commission is the lead Overview and Scrutiny body. It looks at the Council's budget and performance, as well as the Leicester and Leicestershire Enterprise Partnership (LLEP), which is responsible for economic and strategic transport matters covering the County and Leicester City. The Commission also looks at issues that fall within the remit of more than one Overview and Scrutiny Committee and acts as the Council's Crime and Disorder Overview and Scrutiny Committee.

Highlights

Covid-19 Impact, Response and Financial Implications

Throughout the year the Scrutiny Commission received several reports on the Council's Covid-19 response, plans for recovery and the reinstatement of services, and the financial implications for both the immediate and longer term.

There was much uncertainty in the early months of 2020 and financial pressures of up to £64m were estimated, resulting from possible losses of council tax and business rates income and extra costs for services such as home to school transport. We supported the use of reserves and a drastic reduction in the Council's capital programme to help address some of the difficulties faced. We later heard that the pandemic was having a negative effect on the Council's own commercial services which faces an uncertain future. We noted that a full review would be undertaken and we will be considering some of the implications of that in 2021.

Later in the year, despite financial pressures, we were pleased to hear that the Council had provided grants for local businesses and support for free school meals, as well as investing in IT equipment to support staff working from home, ensuring Council services continued during the national and local lockdowns.

Leicester and Leicestershire Enterprise Partnership (LLEP)

The Commission heard from both the Chief Executive of the LLEP and the Chair of the LLEP Board regarding the economic impact of Covid-19 and national estimates of 1 in 10 jobs being lost which could equate to as many as 50,000 job losses across Leicester and Leicestershire.

We noted that the LLEP was facilitating and coordinating efforts across the region to support SMEs (small and medium sized enterprises) that dominate the Leicestershire economy. These businesses had been particularly hard hit by recent events. The Commission welcomed the SME business grants that would help them build resilience in the short to medium term. Looking to the future, we asked that the LLEP continue to lobby Government to change regulations which were over bureaucratic and excessively burdened SMEs.

We noted that the pandemic had disproportionately affected 18 to 24 year olds and discussed steps being taken by the Skills Advisory Council to respond. We specifically sought reassurance that progress made to support those with learning difficulties or mental health issues enter the job market would not be lost in the Covid-19 response.

Tourism (Place Marketing) in Leicester and Leicestershire

We received an update on the work of the Place Marketing Organisation for Leicester and Leicestershire and the effects of the national and local lockdowns on the tourism sector. The Commission welcomed the work of the PMOs Inward Investment Team together with the LLEP to support local businesses. We discussed the need to raise awareness of what Leicestershire had to offer and whilst much was done through website promotions and social media, we felt this relied too heavily on people choosing to research the area. Post Covid-19, the Commission suggested that a more proactive approach was needed to reach out to new potential visitors and investors to actively encourage them to come to the area.

We questioned how funding had been split across each district area and how this had translated into increased visitors. Without quantifiable evidence to show the effect of promotional activities, it was difficult to assess where and how localities might improve their local offer. We asked that this be improved when we receive our next update in 2021.

Air Quality and Health

The Scrutiny Commission welcomed the opportunity to comment on work being undertaken with partners to develop a Leicestershire Air Quality and Health Action Plan. We highlighted the disjointed approach imposed by Government across two tier authorities on this issue. We also emphasised the conflict this placed on district councils who had to balance air quality management with delivery of increased housing numbers set by Government. The Commission discussed how growth often came at the cost of air quality and how improved data could be used to support future planning decisions. However, limits on district council resources meant undertaking further monitoring would be difficult. Without support from central government, the Commission felt it would be hard for local planning authorities to give due weight to air quality when considering planning applications under current planning law. We asked that a clear explanation of these barriers and conflicting responsibilities be included in the Plan.

Despite these difficulties we agreed the County Council would need to be more direct and clear about actions required to address air quality within district council local plans, which would set the tone for future developments, and should seek to bring developers on board wherever possible.

Planning for the Future White Paper

We had an excellent discussion on the Government's White Paper and commented on the Council's draft response to the consultation. We felt the White Paper was overly focused on the shortcomings of the current planning system but was silent on the failures of developers to build when planning permission was granted (land banking), an issue generally left uncontrolled.

The Commission raised concerns about plans to allocate land for growth and the automatic granting of outline planning permission to build on such land. We felt this would place

significant pressure on local plan processes and were concerned that the public did not engage in that process, instead only becoming involved when a planning application affected their immediate area. The lack of resources to undertake proper impact assessments and seek appropriate mitigations, such as highway improvements, as part of the local plan process would also have a detrimental impact on communities in the long term.

Overall, we felt there was too much focus on increasing the number of houses built and insufficient regard given to issues such as climate change and environmental sustainability, homelessness and affordable social housing. The Scrutiny Commission asked that the Council's response to the consultation be strengthened on these issues and were pleased that all our comments were taken on board by the Cabinet.

Draft Leicester City Local Plan 2020 to 2036

In November the Commission considered and commented on Leicester City Council's draft Local Plan for 2020-2036. We had a full and lengthy discussion and were grateful to hear from Mr Butterworth, Head of Planning at the City Council. Whilst recognising that capacity and regeneration opportunities in the City were limited, we raised concerns about the number of houses to be redistributed to Leicestershire districts.

The Commission raised a number of questions around the potential overdevelopment of university accommodation, the impact of Covid-19 on the level of retail provision and the seemingly uneven distribution of employment facilities between the City and County (warehousing and distribution facilities attracting lower paid jobs being primarily located in the County and office space attracting higher paid jobs being focused in the City). We also discussed concerns about transport infrastructure and connections in and out of the City, and the need to ensure the City's growth plans were supported by appropriate transport interventions.

We invited Mr Butterworth to return to a future meeting as part of the next stage of the local plan consultation process.

East Midlands Development Corporation 'Interim Vehicle (DEVCO)' and Freeport Proposals

The Commission looked at the proposals for the East Midlands Development Corporation and the establishment of an interim vehicle prior to a statutory corporation being created by Parliament. We supported the principle of looking at and coordinating growth developments across county boundaries and agreed the Council and its partners were treading new ground which could reap significant benefits for the area in the long term.

Given current national spending pressures we highlighted the risk of the Government withdrawing funding for the programme and questioned whether, given the Council's own financial investment into the project, an exit strategy had been put in place. We were reassured that this risk had been acknowledged and was being monitored. It was recognised that in such circumstances, Midlands Engine would reassess the scope of the Corporation and what benefits could still be achieved, as in principle, the planned approach was sound. The Government has recently announced that the Freeport bid had been successful, and we will be looking to ensure that appropriate governance structures are put in place to monitor the Board.

Strategic Property Energy Strategy 2020 - 2030

We welcomed the ambitions and targets in the Council's revised Strategic Property Energy Strategy and were pleased to see that they included tangible outcomes which could be measured over time. We discussed the need for all Council policies to take account of environmental impacts, the need to work with partners and influence them to reduce their emissions, and the need to encourage developers to build more energy efficient homes to ensure housing growth in the area did not counteract the good work being done. We are pleased that the Environment and Transport Overview and Scrutiny Committee will continue to monitor progress against the Plan.

We raised concerns that some of the Council's emissions had been exported to staff during the last year because of increased home working. We understood this was difficult to monitor and measure but sought reassurance that practical steps were being considered to ensure staff were supported if home working continued.

Medium Term Financial Strategy

We had an interesting discussion with the Leader and Lead Member for Resources at our meeting in January. We welcomed their insight into the national economic position arising from Covid-19 and the disappointing stance of the Government not to pursue the planned Fair Funding Review or address SEN spending pressures. We noted the Cabinet's plan to levy an additional 3% precept for Adult Social Care which would generate a further £9.6m. We acknowledged that this would have a significant impact on Leicestershire's finances which had been severely affected by the pandemic and would help address the likely increase in demand for services as families struggled to cope with its effects. However, the Commission were concerned about the impact such a rise would have on Council taxpayers at this already difficult time.

We felt that, overall, the MTFS represented good financial management but recognised the uncertainties still faced by the Council and the difficulty departments would have delivering savings to meet the shortfall in future years. We supported the Cabinet in its continued pursuit of fair funding and SEN funding, without which there will inevitably be an adverse impact on services to the public.

2.

Adults and Communities

The Adults and Communities Overview and Scrutiny Committee looks at issues around adult social care and communities and wellbeing, including issues such as libraries and museums. It also has a role to monitor the work the Health and Wellbeing Board carries out in relation to integrated commissioning.

Highlights

Covid-19 Recovery

In September 2020, we looked at the Adults and Communities Department's interim recovery plans following the outbreak of the Covid-19 pandemic, and the initial proposals for longer term recovery planning in accordance with the Council's overarching Recovery Strategy.

The Director advised us of revisions to national guidance in respect of hospital discharge pathways. This affected funding arrangements for care packages and the assessment process for determining continued healthcare needs. We received assurance that determining the level of need and the most suitable care package remained the highest priority. The Director also confirmed that Home First services continued to be immediately available upon discharge and would be so until the appropriate care package had been put in place.

The Committee heard of the tireless efforts made by staff to respond to and manage the impacts of the crisis despite the significant challenges they faced, and changes made to their workplace arrangements and practices. We expressed thanks and commended their hard work and professional approach that had enabled services to continue to be provided to some of our most vulnerable residents.

Care Homes Sustainability

Given the severe impact of the Covid-19 pandemic on the care homes sector, we have been closely monitoring issues around care home sustainability.

We emphasised the additional difficulties care homes would face if Government funding provided to help manage infection control and rapid testing was not extended beyond March 2021, and if the free PPE scheme ceased at the end of June 2021. The Director acknowledged the risks to resident and staff welfare and to the overall sustainability of the sector. He advised us that it would be difficult to be certain about what support the Council could offer until the Government had confirmed its plans.

The Committee was advised that the local composition of care homes in Leicestershire was mixed which provided a level of resilience if a larger care home group were to collapse. We were reassured that, as well as keeping in regular contact with service providers, the Council also received wider intelligence from a number of other organisations (e.g. other local

authorities, the Care Quality Commission and the emergency services). They were often able to provide a good, up to date indication of any risks present, particularly regarding national organisations.

The Committee agreed the Department should continue to work closely with service providers and other authorities to monitor the situation and provide support wherever possible. We will continue to monitor the position during 2021/22.

Status on Support for Communities Managed Libraries

In September 2020, the Committee received an update on the impact of the Covid-19 pandemic on Community Managed Libraries (CMLs) and their medium-term sustainability. We also commented on proposed amendments to the support package on offer at that time.

Members commended the level of contingency put in place to provide additional support to CMLs in unforeseen circumstances (e.g. emergency roof repairs or boiler failure). We also welcomed the introduction of an additional one-off grant payment for 2020/21 that CMLs could apply for to support running costs where there had been a shortfall of income due to the pandemic.

The Committee looked at good practice examples of work undertaken by some CMLs and asked officers to ensure these were shared across the library network. We also requested that officers continue to take proactive action to explore further options to support CMLs beyond 2021-22, including looking at any potential alternative premises arrangements. At our suggestion, officers undertook to give further consideration to the mobile service options available to residents of the Barwell community in light of its size.

Technology Enabled Care

We were informed of the results of diagnostic work undertaken to explore opportunities to maximise the use of technology enabled care (TEC) across the adult social care pathway and provided comments on the proposed way forward.

Overall, we were in support of the planned approach. However, we emphasised the need to ensure service users were able to use the technology provided. We were assured that the intended approach would be outcome focussed rather than equipment led. Assessments would be carried out to determine the level of need and capability of each individual to find the most appropriate solution for them. Staff would also receive training to increase their knowledge of the various technologies available which would aid that assessment process. We look forward to receiving further updates as the programme gets underway.

3.

Children and Families

The Children and Families Overview and Scrutiny Committee looks at issues around social service provision for children and families, educational attainment at schools and academies and youth support services. It also monitors the performance and activities of the Leicestershire Children and Young People's Partnership Board, the Local Safeguarding Children Board, the Children's Social Care Panel and any other partnerships as appropriate that are associated with the executive functions outlined above.

Highlights

Covid-19 Recovery

Throughout the year, we have been updated on the Department's response to Covid-19 and its recovery plans for the short, medium and long term. We heard how the Department had reviewed its services to ensure our most vulnerable children and families remained protected and supported during the local and national lockdowns. Most had continued to operate, albeit in a different format, despite the difficulties faced and we were assured that high risk children continued to be safeguarded appropriately. We thank staff in the Department for the work they have undertaken, and families and service users for adapting to the different ways of working.

We were pleased to note the success of working virtually with families, something that would now continue as standard practice where appropriate. The Committee was, however, concerned about the effect not being at school might have on children and we have requested a separate report on this issue.

Children in Need of Help and Protection

The Committee received an overview of the Department's work in relation to children who required help and protection. We noted that performance at the front door had remained good, despite the impacts of Covid-19. We were also encouraged that the Department had been awarded some growth monies to enable it to recruit to additional social worker posts. The Committee had some concern about the increase in the re-referral rate. We noted that an audit was taking place to understand and address this and we will be receiving a further update on the results in 2021.

Special Educational Needs and Disabilities (SEND) Inspection and High Needs Development Plan

The Committee looked at the findings of the Ofsted and Care Quality Commission inspection of local area SEND support which was undertaken in February 2020. We

were concerned that a Written Statement of Action (WSOA) was required because of two significant areas of weakness in the local area's practice (namely the absence of a clearly defined joint commissioning strategy for 0-25 SEND provision and systemic weaknesses in the quality of Education Health and Care Plans). However, we were reassured by the many strengths also identified. For example, the understanding of leaders of the services strengths and those areas requiring development, the collaborative work of providers and the early years provision. We welcomed the opportunity to comment on the draft WSOA prior to its approval by the SEND and Inclusion Board. We have subsequently been updated that very good feedback has been received from the Department for Education on overall progress made on the WSOA. Despite some delays due to Covid-19, we were also pleased to hear that it was still anticipated most actions would be completed on schedule.

The Committee received an update on the delivery of the High Needs Block Development Plan. We were encouraged by the significant progress made to date, with many of the planned new provisions being delivered on target. The unfortunate delay in the building programme for two new schools due to the pandemic was noted. We sought assurance that temporary provisions were being delivered to ensure all children had an appropriate school place to meet their needs at the start of the autumn term.

At our meeting in January 2021, we received an update on work taking place across the SEND local area in response to the national, regional and local increase in demand for EHCP (Educational Health and Care Plan) Needs Assessments. We raised concerns that eight complaints had been taken up by the Local Government Ombudsman on behalf of parents, seven of which had been upheld. The Director provided reassurance and detailed the changes to processes and practices that had been made to ensure such issues did not reoccur. This will be an area we continue to monitor.

Defining Children and Family Services for the Future Programme

The Committee has looked at proposals to redefine Children and Family Services for the future with support from external consultants, Newton Europe. In November 2020 we looked at the outcome of an overall diagnostic assessment of the Department and in January 2021 we received an update on the detailed assessment of Targeted Early Help and Children's Social Care. We noted the opportunities identified which could produce a net annually recurring benefit of approximately £9.3m over the next four years. The financial challenges faced by the Department are clear and this was therefore good to hear. We raised concerns that whilst seeking efficiencies would be key, focus should always be on delivering positive outcomes for children and families. The Director confirmed this would be the case.

We were reassured that Newton Europe had proven experience of working with public service organisations. We welcomed representatives of the company to one of our meetings where they provided us with further detail on the scope of the work planned. We were informed that work was now entering a pilot phase to test the new ways of working. Over the coming year we will monitor progress and outcomes achieved.

Corporate Parenting Strategy 2019-2022

We were provided with an update of how the Corporate Parenting Strategy had been implemented since its launch in 2019 and the impact it had achieved thus far. We

acknowledged the importance of the role of elected members as corporate parents and agreed that this should be emphasised to any newly elected members after the County Council elections in May.

Children's Innovation Partnership (with Barnados)

We received an update on the progress of the Children's Innovation Partnership, in particular the residential design brief. We were pleased to note that properties had now been identified and the intention to have two ready for occupation by the end of 2021. It was pleasing to see the financial savings expected to be delivered of between £800,000 - £1m each year. It was also positive that young people who had an interest in design would be identified to work as part of the team to inform the decoration of the buildings.

4.

Environment and Transport

The Environment and Transport Overview and Scrutiny Committee looks at the Council's performance against its Environment Strategy, issues around roads and road safety, sustainable transport and waste treatment and recycling. It also acts as the Council's Flood Risk Management Committee.

Highlights

COVID-19 Recovery Updates

The Committee received regular updates regarding actions taken by the Department in response to the Covid-19 pandemic and its recovery plans for the longer term. We were pleased that by our September meeting most functions within the Department had resumed, albeit with Covid-19 safety measures in place. We commend officers for their hard work in keeping critical services going throughout.

We requested a report on the impact of the pandemic on School Transport and were assured that, despite limited guidance from Government, the Department had developed a comprehensive 'back to school' plan following the first lockdown, notwithstanding Leicestershire being one of the first counties to start the new school year.

Of key importance to residents was the reopening of Recycling and Household Waste sites from 18 May 2020 using an on-line booking system. We were pleased to note that the system had worked well and had prevented long queues, a significant problem that other authorities had experienced. We requested that the Department consult Members further before any long-term decision was made regarding continuation of the booking system.

We noted the extra cost pressures to the Department due to Covid-19 had been estimated at £6.5million. While there had been areas of savings, extra transport costs (especially related to SEN transport), delays in construction of major projects and increased waste disposal costs had all resulted in additional spending which the Committee is monitoring.

Capital Programme and Works Programme 2021/22.

A consequence of the pandemic was the pause in the delivery of the capital maintenance programme at the start of the first lockdown. We were pleased that working procedures were quickly reviewed and all maintenance programmes quickly restarted with the exception of surface dressing, such funding being reallocated to alternative restorative treatments such as patching.

It has been clear to us for some time that the decade of underfunding for highway maintenance has resulted in the deterioration of road lining and road studs across the County. We nevertheless welcomed the allocation of an additional £500,000 Government funding, in addition to the Council's original allocation of £1.045m to support the continuation of this

important work. Despite these additional resources being made available, demand remains several times the figure budgeted, thus we support further work by the Council to lobby and bid for more funding to address the deterioration.

In that vein we debated the focus of the capital programme on major road schemes, as opposed to maintaining and improving the existing highway network. The development of Sustainable Urban Extensions, for example, has been promoted by highlighting their close proximity to existing town and urban centres. This in practice should reduce the need for significant additional road schemes as residents would use existing transport networks and local facilities, yet capital schemes such as the A512 were still being developed. We were advised that such schemes were developed to mitigate the impact of future growth and improve the network, though residents may not always see it this way.

Road Casualties

Throughout the year we have monitored road collisions via quarterly performance reports and the Annual Road Casualty Reduction report. During our discussions we expressed concern about the data quality of reported traffic casualties due to changes in the way they are recorded by the Police, which may have resulted in the underreporting of collisions. We were assured by Leicestershire Police that a group had been put in place to address and resolve the problem.

We became troubled by the slight increase in the number of people killed or seriously injured, despite the reduction in traffic on Leicestershire roads. We understand that anecdotally there are more individuals walking and cycling, and that the reduction in traffic on the road, linked to COVID-19, had resulted in increased reports of speeding. We understand that such trends were being considered nationally by Government and we will continue to monitor the situation. We hoped that Council initiatives such as the Community Speed Watch and Speed Enforcement Initiatives would continue to be helpful and welcomed the recent consultation with Members.

Transport for Children with Special Educational Needs and Disabilities

As part of our consideration of the Medium Term Financial Strategy for the Environment and Transport Department we considered in-depth the financial challenges being faced by the Council regarding increases in Special Educational Needs and Disabilities (SEND) transport demand. We noted that growth reflected the continual increase in client numbers and costs arising from increasingly complex needs presented by some service users. We welcomed a joint briefing with our Children and Families Overview and Scrutiny Committee colleagues which set out the expected 10% growth in the service, as well as a 3% increase in transport costs. The briefing provided us with an in-depth understanding of the process of Education, Health and Care plans for those children with SEND and the Council's statutory duties in this regard.

We supported work and initiatives by the County Council to continue to look at how growth could be contained over the duration of the MTFs and expansion of local SEN provision as well as national lobbying regarding the overall cost of SEN provision and transport to Government.

Cycling and Walking Strategy

Members had apprehensions to the proposed introduction of pop-up cycleways. Early on in the pandemic Government had allocated £334,000 to the Council to encourage more people to walk and cycle. As a result, the Council had acted quickly to allocate road space for temporary cycle lanes. We felt that these had not been positively received by all motorists. Going forward we understood that for further allocations of funding, the Government had made it clear that there needed to be appropriate consultation and support within communities for local schemes. Accordingly, we fully support the development of a Cycling and Walking Strategy, as it will allow the Council to bid for any future funding made available by Government in a planned way.

Throughout our discussions we emphasised the importance of separating cyclists and pedestrians where feasible, as we felt shared use caused pedestrians to feel unsafe, while cyclists often felt unsafe on roads. It was further suggested that behaviour programmes need to be set up to look to strengthen the confidence of cyclists and pedestrians on our network. The Committee will be pleased to see the outcome of the ongoing consultation and the draft Cycling and Walking Strategy at a later date.

Environmental Performance Report 2019-20 and Greenhouse Gas Report 2019-20

We welcomed the Environmental Performance Report 2019-20 and Greenhouse Gas Report for 2019-20. We were pleased to note the Council had reduced its greenhouse gas emissions by 67% since 2008-9 and was on track to reach Net Zero in its Carbon emissions by 2030. We were pleased to note that the emissions in Leicestershire considered to be under the Council's influence had further reduced as a result of the decrease in the use of coal and gas and an increase in the use of renewables. However, there is still some way to go and so the performance indicator remained rated amber. We were assured that the Council would be addressing the indicator as part of its wider approach to carbon reduction via the Tranche 2 Roadmap that would be developed over the year and focus on the Council's unmeasured emissions and wider Leicestershire emissions.

We also continued to monitor the five outstanding environmental risks, three of which linked to drainage at Recycling and Household Waste sites. We are assured that dialogue was continuing with the Environment Agency regarding improvements and that planned works had been scheduled, but that such works would take time to implement due to the nature of the excavation works and capital financing required.

5.

Health

The Health Overview and Scrutiny Committee looks at the planning and provision of health services in the County and the work of the Council's Public Health Department. It also scrutinises the activities of the Health and Wellbeing Board.

Highlights

Covid-19 Response

We received regular updates from the Director of Public Health regarding the Covid-19 pandemic in Leicestershire including details of which localities had high infection levels, the availability of Covid-19 testing in the County and proposed locations for testing sites. We scrutinised the clarity of messages that were being disseminated to the people of Leicestershire regarding keeping safe from Covid-19 and social distancing and considered how these messages could reach people of all areas and demographics. We recognised the significant pressure placed on Public Health staff and commended them for their support and work.

Public Health Services and Strategies

During the year we have scrutinised the work of the Council's Public Health Department including the Domestic and Sexual Violence and Abuse Service and proposals for recommissioning the Substance Misuse Service.

We gained assurances that the Domestic and Sexual Violence and Abuse Service would meet the needs of male victims as well as female, questioned how the service's performance would be measured and monitored, and requested that further work be undertaken to manage perpetrators and prevent the abuse happening in the first instance.

As the footprint of the Substance Misuse Service was changing so that the City of Leicester would no longer be covered by the Service, we raised concerns that the benefits of partnership working would be lost. The Director provided some reassurance that this would not be the case and that partnership working would still be the priority for all.

In June 2020 we looked at the Council's Sexual Health Strategy for the next three years. We were reassured that the Strategy linked with other relevant strategies relating to, for example, substance misuse and domestic violence, and took into account trends such as the increased use of dating apps and potential changes in people's behaviour during and after the Covid-19 pandemic. We were pleased that consideration was already being given to what sexual health messages could be disseminated post covid-19, particularly to hard to reach groups perhaps using social media.

In November 2020 we looked at the proposed new Healthy Weight Strategy for Leicestershire. We were interested in the proposed 'family approach' to be adopted

rather than focus being on individuals and we were reassured that although the weight management service was only available to those significantly overweight, there was a strong focus on prevention targeted to all. We raised concerns about the impact the Covid-19 lockdown might have had on people's weight and noted the Government had now made weight management more of a priority, especially as this affected the severity of Covid-19 symptoms.

Members made suggestions for making the types of food purchased by the public healthier such as liaising with commercial retailers to reduce the level of advertising and the promotion of unhealthy foods. We also highlighted the need for mental health support to help manage food addictions. Whilst such support was available for patients eligible for bariatric surgery, we acknowledged there was an onus on individuals to want to make changes and seek help as was the case for any addiction.

Community Services in Ashby de la Zouch

During the year the Committee continued to scrutinise the Clinical Commissioning Groups' (CCGs) plans for redesigning Community Services in Leicestershire and their proposals for six Community Hubs based in Coalville, Melton, Hinckley, Loughborough, Market Harborough and Enderby in Blaby District. Due to public interest we paid particular attention to the services available for residents of Ashby de la Zouch and how accessible those services are. The Committee is aware that the Covid-19 pandemic has had a significant impact on the CCG's proposals for Community Services and we look forward to considering the new proposals in more detail at a future meeting including the plans for Hinckley and Lutterworth.

Primary Care Estates Strategy and Section 106 (Developer Contributions)

Members sought reassurances from the CCGs that in the coming years the necessary health infrastructure would be in place to cater for expected population growth and new housing developments in Leicestershire. We noted work taking place towards the Primary Care Estates Strategy and the introduction of a uniform, streamlined process across all CCGs for claiming Section 106 funding, making the best use of available space and giving in-depth consideration to where new premises should be built. We gained assurances that in future there would be more joint working between health partners and local authorities in regard to planning health infrastructure and identifying need. We will review the final version of the Primary Care Estates Strategy document at a future meeting.

Mental Health Liaison Service

At the request of a member the Committee scrutinised Leicestershire Partnership NHS Trust (LPT) with regards to the liaison mental health services available within emergency departments and general hospital wards designed to meet patients' urgent mental health needs. We particularly focused on the Psycho-oncology service and gained reassurances that patients currently accessing this service would not see a reduction in quality. We noted that there would be some changes to the service, though LPT were expecting to increase the offer for people with psycho-oncological needs, not reduce it.

Healthwatch Leicester and Leicestershire

The Committee considered reports from Healthwatch Leicester and Leicestershire (Healthwatch) in relation to patients' experiences of health services in the County and used these reports to hold health providers to account for performance.

During the year the Committee looked at a Healthwatch Special Project regarding the patient experience of accessing and using Children and Adolescents Mental Health Services. The Committee questioned LPT on the Project's findings and was pleased to find that LPT had already put an action plan in place to address the issues raised. LPT specifically provided reassurance that waiting times and crisis response times were now much better, the triage process had also been improved and urgent call backs were now taking place within 2 hours and face to face assessments within 24 hours. We were pleased to note that NHS Improvement had provided intensive support and been impressed by the new CAMHS waiting list management system put in place to determine the minimum level of contact patients required whilst awaiting treatment; a system it now wanted to expand nationally.

The Committee also considered a report from Healthwatch regarding the experience of patients with Special Educational Needs and Disabilities (SEND) using dental services in Leicester and Leicestershire. As a result of the findings in that report the Chairman requested that NHS England who run dental services submit a report to the Joint Health Scrutiny Committee in response.

Joint Health Scrutiny

Members of the Health Overview and Scrutiny Committee have also attended meetings of the Leicestershire, Leicester and Rutland Joint Health Overview and Scrutiny Committee where issues such as the health system's response to the Covid-19 pandemic were covered in depth. The Committee also fed into the consultation regarding the University Hospitals of Leicester (UHL) acute and maternity services reconfiguration and spent some time considering the impact of the potential closure of the Melton Birth Centre. As part of the Joint Committee members received a report regarding errors in the UHL accounts and the UHL Trust Board's decision not to agree the 2019/20 annual accounts as 'true and fair'. Members gained assurances that the errors in the accounts could not occur again because the policies and control procedures at UHL had been strengthened, a training programme for the finance team had been put in place, and an external Finance Improvement Director was now holding UHL to account.

6.

Scrutiny Review Panels

Scrutiny Reviews represent an opportunity for Overview and Scrutiny Members to delve deeper into a particular subject or issue to find out more, speak to the individuals responsible and recommend any ways in which things might be improved at a level of scrutiny not always possible within the time limits and formal setting associated with Committee meetings. These reviews can be light touch or in depth and its recommendations are usually reported to the Cabinet.

Due to the Covid-19 pandemic, only one previously agreed scrutiny review was undertaken this year – the Flooding Scrutiny Review Panel as detailed below. To ensure departments could focus their resources on the Council's response to the pandemic, no new scrutiny reviews were added to the work programme during 2020/21. The Flooding Review Panel was delayed, but still undertaken given the impact of flooding has had and is likely to continue to have on Leicestershire residents.

Flooding Scrutiny Review Panel

We set up a Scrutiny Review Panel to consider the role of the County Council as Lead Local Flood Authority (LLFA) and its links with other Risk Management Authorities (RMAs). The Panel met on five occasions and heard from representatives of the Environment Agency, Severn Trent Water, the Local Resilience Forum, district councils and local residents.

Key recommendations and findings that arose from the panel were as follows:

- The title of LLFA conferred onto the County Council by Government, was deceptive due to the lack of powers available to the Authority to force others, including other RMA's, to carry out works necessary to alleviate flooding, even when such works were identified through Section 19 investigations.
- The Council needed to do more to communicate its roles and responsibilities clearly to residents to help manage their expectations.
- We recognised that even with significant long-term investment in flood risk management by both the LLFA and other RMA's, all flood risk would not be resolved, especially considering the impact of climate change. To combat this, we felt more could be done to communicate with local communities and residents on what they could do to mitigate risk themselves.
- Evidently those most affected by flooding were often those that had previously never experienced a flooding event before and so were unfortunately ill prepared. We therefore concluded that the Council needed to refresh and revamp its communication messages and look at how the Council and Elected Members could highlight the role communities, riparian owners and members of the public could play themselves through programmes such as the Flood Warden Scheme, developing flood risk plans and by signing up to the Environment Agency's Flood Risk alerts.

We are delighted that the Cabinet approved all of the Panels 25 recommendations and further agreed to lobby Government to strengthen the legislation to enable the County Council as the LLFA to require relevant agencies to complete mitigating measures arising from Section 19 Investigations.

We would encourage residents to read the full report which can be viewed [here](#).

7.

Looking Ahead to 2020/21

A key area of focus for the future will inevitably be the impact of the Coronavirus 19 pandemic including on services and the Council's finances.

We will continue to keep a close eye on the budget pressures facing the County Council, particularly those relating to SEND and children's social care. Given its size, we will also be monitoring closely the delivery of the Capital Programme.

The following topics will also be considered:

Scrutiny Commission

In 2021 we will continue to monitor the Council's financial position and the true impact of Covid-19 as this becomes more apparent as we open up in line with the Government roadmap. We will focus on growth and how the Council can seek to influence and manage this to ensure infrastructure requirements do not place an unmanageable burden on the Council's capital programme. We will be considering the Council's Infrastructure Policy and the implications of the Government's allocation of increased housing numbers to the Leicester City which will inevitably increase its unmet housing need to be passported to the County. This will have huge implications for district council local plans, and for the County Council as the main infrastructure provider.

We will continue to look at the work of partners such as the LLEP and the new Board overseeing the development of the Freeport. We will also be interested to hear from the Place Marketing Organisation about the work it has done to help the tourism sector move out of lockdown. We will also welcome feedback on the work of the Police and Crime Panel following the Police and Crime Commissioner elections in May.

Adults and Communities Overview and Scrutiny Committee

Looking ahead it is expected that we will need to continue to monitor and feed in to Covid-19 pandemic recovery plans and monitor the issues around care homes sustainability.

Along with our usual oversight of performance and complaints we are also planning to consider the implications of the Council signing up to Unison's Ethical Care Charter and Residential Care Charters, have an opportunity to provide further comments and feedback on future plans for short breaks and supported living services and receive a further update on the Adult Social Care Target Operating Model to ensure it is continuing to meet its objectives.

Children and Families Overview and Scrutiny Committee

In the coming year we will continue to receive progress updates on a range of issues, including the SEND and Inclusion Strategy, the Defining Children and Family Services for

the Future Programme and the Written Statement of Action arising from last years OFSTED inspection. We will also be looking at the wider Impact of Covid-19 on children and pupils missing out on education.

Environment and Transport Overview and Scrutiny Committee

In 2021/22 it is clear that now more than ever we need to remain focused on the Council's response to the climate emergency and look forward to exciting work streams such as the Tranche 2 Climate Reduction Road Map that will focus on the Council's unmeasured emissions and wider Leicestershire emissions it will look to influence. Furthermore, we will at the Council's strategic approach to biodiversity and how we can address historic problems with biodiversity within Leicestershire. We look forward to receiving the refresh of the Flood Risk Management Strategy and the inclusion of the Flooding Scrutiny Review Panel comments and recommendations, as well as further reporting on Section 19 Investigations and the actions undertaken by Risk Management Authorities.

Health Overview and Scrutiny Committee

In the coming year we will consider the 0-19 Healthy Child Programme known as 'Healthy Together', the Governance of the new Integrated Care System for Leicester, Leicestershire and Rutland, and the Primary Care Networks, and take a further look at mental health, eating disorders and suicide.

The Joint Committee will consider the analysis of the UHL Acute and Maternity Services Reconfiguration consultation feedback, review progress UHL have made with management of their accounts and look at mortality rates for mothers from Black and Minority Ethnic (BME) backgrounds.

Overview and Scrutiny Members 2020/21

The Scrutiny Commission

Tom Barkley CC
 Peter Bedford CC
 David Bill MBE CC
 Bill Boulter CC
 Dr Terri Eynon CC
 Dr Kevin Feltham CC
 Hilary Fryer CC
 Simon Galton CC (Chairman)
 Dan Harrison CC
 Rosita Page CC
 Alan Pearson CC
 Terry Richardson CC
 Michael Wyatt CC

Adults and Communities

Linda Broadley CC
 Bill Crooks CC
 Tony Gillard
 Dan Harrison CC
 Jewel Miah CC
 James Poland CC
 Terry Richardson CC (Chairman)
 Amanda Wright CC
 Maggie Wright CC

Children and Families

Dr Paul Bremner CC
 Dr Kevin Feltham CC
 Hilary Fryer CC (Chairman)
 Jeffrey Kaufman CC
 Canon Carolyn Lewis (co-opted)
 Peter Osborne CC
 Ted Parton CC
 Brenda Seaton CC
 Sean Sheahan CC
 Geoff Welsh CC
 Maggie Wright CC

Environment and Transport

David Bill MBE, CC
 Bill Boulter CC
 Dan Harrison CC
 Max Hunt CC
 Jonathan Morgan CC
 Alan Pearson CC (Chairman)
 Les Phillimore CC
 James Poland CC
 Janice Richards CC

Health

David Bill MBE CC
 John Coxon CC
 Dr Kevin Feltham CC (Chairman)
 Amanda Hack CC
 Dr Sarah Hill CC
 Jonathan Morgan CC
 Joe Orson CC
 Rosita Page CC
 Ted Parton CC

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Democratic Services
Chief Executive's Department
Leicestershire County Council

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