

Item



- Meeting: Cabinet
- Date/Time: Friday, 15 September 2023 at 11.00 am
- Location: Sparkenhoe Committee Room, County Hall, Glenfield
- Contact: Ms. J. Bailey (Tel. 0116 305 2583)
 - Email: jenny.bailey@leics.gov.uk

Membership

Mr. N. J. Rushton CC (Chairman)

Mr. B. L. Pain CC Mrs D. Taylor CC Mrs. C. M. Radford CC Mr. O. O'Shea JP CC Mr. L. Breckon JP CC

<u>Please note</u>: this meeting will be filmed for live or subsequent broadcast via the Council's web site at <u>Cabinet meeting webcasts</u> – Notices will be on display at the meeting explaining the arrangements.

<u>AGENDA</u>

Webcast. A webcast of the meeting can be viewed <u>here</u>

- 1. Minutes of the meeting held on 23 June 2023.
- 2. To advise of any other items which the Chairman has decided to take as urgent elsewhere on the agenda.
- 3. Declarations of interest in respect of items on the agenda.
- 4. Leicestershire and Rutland Safeguarding

Independent Chair (Pages 19 - 50)

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(Pages 5 - 18)

Report by

	Adults Board Annual Report 2022/23.	of the Leicestershire and Rutland Local Safeguarding Adults Board	
5.	Medium Term Financial Strategy - Latest Position.	Director of Corporate Resources	(Pages 51 - 104)
6.	Investing in Leicestershire Programme Annual Performance Report.	Director of Corporate Resources	(Pages 105 - 140)
7.	Airfield Business Park Development Proposal - Final Phase.	Director of Corporate Resources	(Pages 141 - 156)
8.	Corporate Complaints and Compliments Annual Report 2022/23.	Director of Corporate Resources	(Pages 157 - 186)
9.	Community Admission Bodies - Voluntary Action LeicesterShire and the Bradgate Park Trust.	Director of Corporate Resources	(Pages 187 - 198)
10.	A511 Growth Corridor - Making of Compulsory Purchase Order and Side Roads Order for Land Required.	Director of Environment and Transport	(Pages 199 - 242)
11.	Vertical Traffic Calming Proposal - Walton Way, Mountsorrel.	Director of Environment and Transport	(Pages 243 - 276)
12.	Physical Activity Programme Reductions.	Director of Public Health	(Pages 277 - 284)
13.	Collections Development Policy and Access Policy for the Record Office for Leicestershire, Leicester, and Rutland.	Director of Adults and Communities	(Pages 285 - 308)
14.	Leicestershire and Rutland Safeguarding Children Partnership Annual Report 2022/23.	Director of Children and Family Services	(Pages 309 - 344)
15.	Exception to Contract Procedure Rules to Provide Adoption Support Fund - Therapeutic Services.	Director of Children and Family Services	(Pages 345 - 350)
16.	Items referred from Overview and Scrutiny.		
17.	Any other items which the Chairman has decided to take as urgent.		
18.	Exclusion of the Press and Public.		

The press and public are likely to be excluded during the following

item of business in accordance with Section 100(A) of the Local Government Act 1972:-

- Exception to Contract Procedure Rules to Provide Agency Cover
- 19. Exception to Contract Procedure Rules to Provide Agency Cover.

Director of Children and Family Services (Pages 351 -356)

(Exempt under Paragraphs 3 and 10 of Schedule 12A)

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Minutes of a meeting of the Cabinet held at County Hall, Glenfield on Friday, 23 June 2023.

PRESENT

Mrs D. Taylor CC (in the Chair)

Mr. B. L. Pain CC Mrs. C. M. Radford CC Mr. O. O'Shea JP CC Mr. L. Breckon JP CC Mrs H. L. Richardson CC Mr. R. J. Shepherd CC Mr. P. Bedford CC

Apologies

Mr. N. J. Rushton CC

In attendance

Mrs. P. Posnett MBE CC, Mrs. M. Wright CC, Mr. C. Smith CC, Mr. R. Allen CC, Mr. M. Mullaney CC and Mrs. A. Hack CC

241. Minutes.

The minutes of the meeting held on 26 May 2023 were taken as read, confirmed and signed.

242. Urgent Items.

There were no urgent items for consideration.

243. Declarations of interest.

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

Mrs. D. Taylor CC declared an other registrable interest in respect of item 9 on the agenda (Charnwood Borough Council's Local Plan) as a member of Charnwood Borough Council.

244. <u>Report of the Scrutiny Review Panel - SHIRE Community Grants and SHIRE</u> Environment Grants.

The Cabinet considered a report of the Chief Executive presenting the key findings and recommendations of the Scrutiny Review Panel on SHIRE Community Grant and SHIRE Environment Grant schemes. A copy of the report marked 'Agenda Item 4' is filed with these minutes.

The Scrutiny Commission considered the report of the Scrutiny Review Panel at its meeting on 12 June 2023 and a draft minute is also filed with these minutes.

Comments from Mr Mullaney CC regarding the proposed recommendations of the Panel are also filed with these minutes.

Members acknowledged that this review had been difficult, but supported the recommendations of the Panel, given the considerable pressure on the Authority.

RESOLVED:

- a) That the comments of the Scrutiny Commission be noted;
- b) That the report of the Scrutiny Review Panel on SHIRE Community Grants and SHIRE Environment Grants be accepted;
- c) That the Chief Executive be requested to ensure that the recommendations of the Scrutiny Review Panel are acted upon.

(KEY DECISION)

REASONS FOR DECISION:

The Panel has considered the operation of the SHIRE Communities Grant and SHIRE Environment Grant schemes and made recommendations that the schemes should operate on a reduced budget and tighter criteria during the current financial year and cease operating after that. This will enable savings to be made. The Panel also recommends that the County Council should continue to provide advice, guidance and signposting to Voluntary, Community and Social Enterprise (VCSE) organisations requiring funding.

245. Annual Treasury Management Report 2022/23.

The Cabinet considered a report of the Director of Corporate Resources advising of the action taken and the performance achieved in respect of the treasury management activities of the Council in 2022/23. A copy of the report, marked 'Agenda Item 5', is filed with these minutes.

Mr Breckon CC commended the way that the Council managed its finances, despite inflationary pressures.

RESOLVED:

That the report be noted.

REASON FOR DECISION:

The Authority's full adoption of the CIPFA Code of Practice for treasury management requires an annual report on Treasury Management activity and performance to be considered by both the Cabinet and the Corporate Governance Committee before the end of September each year.

246. Annual Report of the Commercial Strategy and Traded Services Strategy 2023-28.

The Cabinet considered a report of the Director of Corporate Resources advising of the performance of the County Council's Commercial Strategy and seeking approval for the adoption of the Traded Services Strategy 2023 - 28. A copy of the report, marked 'Agenda Item 6', is filed with these minutes.

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The Scrutiny Commission had considered the Annual Report on the Commercial Strategy at its meeting on 12 June 2023 and a draft minute is also filed with these minutes.

Mr Breckon CC stressed the significant rise in costs to the Council's traded services which had led to a reduction in margin and indicated that the Traded Services Strategy would provide an opportunity to restore this.

RESOLVED:

- a) That the comments of the Scrutiny Commission be noted;
- b) That the performance against targets in the Commercial Strategy during 2022/23 be noted;
- c) That the future developments, as outlined in the report, and the Leicestershire Traded Services Review and Outlook for 2023/24 (appended to the report) be welcomed;
- d) That the Traded Services Strategy 2023-2028 be adopted.

REASONS FOR DECISION:

The Annual Report on the Commercial Strategy outlines the progress that has been made by the County Council (via the Leicestershire Traded Services) by introducing a more commercial approach to ensure that trading income makes an increasing and meaningful contribution to the Council's budget.

The new Traded Services Strategy sets a future direction for all traded services in the County Council.

247. Leicester and Leicestershire Business Rates Pool.

The Cabinet considered a report of the Director of Corporate Resources which provided an update on the performance of the Leicester and Leicestershire Business Rate Pool, the associated distributions and the changes required to the pooling agreement. A copy of the report, marked 'Agenda Item 7', is filed with these minutes.

The Business Rates Retention System enabled local authorities to enter into pools and retain net surpluses. The Director reported that, following recent changes, it had been agreed that the surplus would be distributed on a one third basis to Leicester City Council, the County Council and the Leicestershire district councils collectively.

The Director also corrected an error in recommendation (c) to read '... gains from the Pool for 2020/21 and 2021/22...'.

Members expressed disappointment at the final allocation to the County Council and noted that this would affect the funding to support the development of local plans.

- a) That the change to the distribution mechanism for the gains from the Leicester and Leicestershire Business Rate Pool be noted;
- b) That the County Council's share of the gains from the Pool be allocated through the annual Medium Term Financial Strategy (MTFS) process, with effect from the 2024/25 financial year;
- c) That an initial allocation of £7.5m be made towards capital works on Zouch Bridge, in the event that the Council's share of gains from the Pool for 2020/21 and 2021/22 is received before the next MTFS;
- d) That from the 2024/25 financial year, the Council will:
 - (i) only commit to arrangements for the allocation of gains from the Pool for a single year;
 - (ii) not accept less than one-third of the available funding;
- e) That the Director of Corporate Resources, following consultation with the Lead Member for Resources, be authorised:
 - (i) to approve governance arrangements for the Pool from 2024/25;
 - (ii) in consultation with the Director of Law and Governance, to approve the associated legal agreements.

REASONS FOR DECISION:

The current agreement for the Pool requires the Leicester and Leicestershire Enterprise Partnership (LLEP) to distribute gains for priority economic projects. Following the Chancellor's Budget in March 2023, the LLEP responsibilities will transfer to local authorities by April 2024, necessitating a new agreement.

The LLEP had historically required councils to submit bids for funding for specific projects, the preference for all participants in the Pool is to move to fixed cash allocations, to reduce the administrative burden.

The Leicester, Leicestershire Pool partners have agreed that gains up to and including 2023/24, that have not been distributed by the LLEP, are to be distributed on a one third basis to the City Council, County Council and the District Councils collectively.

Revising the agreement will support the smooth operation of the Pool.

248. <u>Participation in the Hinckley National Rail Freight Interchange Development Consent</u> <u>Order Process - Relevant Representation and Request for Delegation.</u>

The Cabinet considered a joint report of the Chief Executive and Director of Environment and Transport advising of the County Council's Relevant Representation on the Hinckley National Rail Freight Interchange (HNRFI) application and seeking approval for the Chief Executive to submit any further representations to the examination on the HNRFI proposal on behalf of the Council. A copy of the report, marked 'Agenda Item 8', is filed with these minutes. The Chief Executive reported that, in respect of Flood Risk and Drainage, the Environment Agency had requested that the wording of the third sentence of the County Council's Relevant Representation be amended to read *'albeit it has been agreed with the Environment Agency that the LLFA will take the lead on surface water drainage proposals on-site with the remaining flood risk and modelling elements remaining with the Environment Agency'*.

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It was now anticipated that Stage 4 of the examination stage would now commence in the autumn, rather than early/mid July.

RESOLVED:

a) That the comments set out in the Appendix to the report be submitted to the Planning Inspectorate as the Relevant Representation of the County Council on the HNFRI proposal, subject to the following amendment to the third sentence of the Relevant Representation as requested by the Environment Agency:

"Albeit it has been agreed with the Environment Agency that the LLFA will take the lead on surface water drainage proposals on-site with the remaining flood risk and modelling elements remaining with the Environment Agency".

b) That the Chief Executive be authorised to make submissions on behalf of the County Council during the Examination stage on the HNRFI proposals, in line with the deadlines set by the Planning Inspectorate.

REASONS FOR DECISION:

The Relevant Representation sets out key concerns for consideration by the Planning Inspectorate and the applicant, Tritax Symmetry, and will be used by the Examining Authority to inform the key questions to be posed during the examination process.

Local Authorities are advised to ensure delegated powers are in place given the short deadlines often imposed during the process.

249. Charnwood Borough Council's Local Plan.

The Cabinet considered a joint report of the Chief Executive and Director of Environment and Transport advising of the potential risks to the progress of Charnwood Borough Council's Local Plan and the County Council's progress towards securing developer contributions and managing development in respect of highways needs in the Borough, following a change of administration at Charnwood Borough Council. A copy of the report, marked 'Agenda Item 9', is filed with these minutes.

Comments from Mr Miah CC regarding the report are also filed with these minutes.

The Chief Executive reported that a letter to Mr O'Shea from Charnwood Borough Council's Lead Member for Planning in respect of the report had been received. This, and the reply from the Leader of the County Council, is also filed with these minutes.

RESOLVED:

- a) That the letter from Charnwood Borough Council's Lead Member for Planning be noted;
- b) That Charnwood Borough Council be reminded that:
 - the County Council's support for the Charnwood draft Local Plan, approved prior to Examination in Public, was qualified in respect of committing to constructing new infrastructure upon receipt of funds from developers and the requirement to develop Area Transport Strategies to secure developer contributions; and
 - the later decision of the County Council to develop an interim approach to transport contributions reflected its concern that the extended period of Charnwood having no Local Plan created the risk of developer contributions being missed;
- c) That the County Council's objective remains in supporting the Borough Council in demonstrating that the draft Local Plan is viable, but it requires the Borough Council to recognise that:
 - (i) the Area Transport Strategies and the interim approach will be delivered through the local planning process and therefore should be jointly owned and approved as such by both Councils, without which there can be no assurance that developer contributions will be secured to provide the infrastructure required by the draft Local Plan, something which the Borough Council has chosen not to accept; and
 - the County Council's affordability limit to support the infrastructure requirements of district councils' local plans has been reached in respect of existing commitments; and
- d) That the chief executive and relevant chief officers, following consultation with the Leader of the County Council and relevant Lead Members, be authorised to respond to information requests from Charnwood Borough Council following the letter to the Borough Council from the Planning Inspectors of 23rd May 2023.

REASONS FOR DECISION:

To ensure the County Council's interests are protected, in respect of its responsibilities as County Highway Authority, both in advance and post Charnwood Borough's adoption of its Local Plan.

To ensure additional County Council resource dedicated to the Local Plan examination process, interim and long term strategies are not abortive.

Any delays to the implementation of the Transport Contributions Strategy risks further developer contributions being missed and continued difficulties in covering shortfalls to highways mitigation, increasing levels of financial risk to the County Council.

250. Street Lighting - Proposed Service Changes.

The Cabinet considered a report of the Director of Environment and Transport advising of the possibility of achieving financial savings in the provision of street lighting across the County and the potential risks associated with the options presented. A copy of the report, marked 'Agenda Item 10', is filed with these minutes.

The Director highlighted the context for the need for savings, as set out in the Medium Term Financial Strategy (MTFS) 2023-27, and sought approval to undertake a four week engagement/consultation exercise, prior to the development of a risk assessment of the preferred service change.

The Director also reported the potential reduction in carbon emissions that could be achieved from proposed changes to the provision of street lighting.

Mr O'Shea CC indicated the importance of undertaking consultation/ engagement with the public and stakeholders to ensure that there was confidence in any proposal that was agreed. He also reiterated the need to make the savings indicated in the MTFS.

Mr Pain CC said that work had already been undertaken to reduce carbon emissions, but this would add to the reduction and also to the County Council's net zero commitment. It was also felt that the public would notice little visible difference in the amount of lighting provided.

RESOLVED:

- a) That an engagement/consultation exercise be undertaken on Option 2 to dim all street lights, including those on traffic routes, to 30% from 20:00 across the County – as outlined in the report;
- b) That a further report be submitted to the Cabinet in December 2023 providing feedback on the engagement/consultation exercise and the associated risk assessment and seeking approval for a final scheme proposal;
- c) That the risks associated with each of the four Options (as detailed in the report) for a reduced provision of street lighting be noted, in particular those that would represent a departure from national design standards and an increased exposure to risk.

(KEY DECISION)

REASONS FOR DECISION:

The Council's MTFS requires savings of £150,000 in 2023/24, rising to £500,000 in subsequent years, to be made in the street lighting service.

A reduced provision of street lighting would also reduce carbon emissions and therefore contribute to the Council's net zero target on its own operations by 2030.

Any reduction in lighting that is a departure from national design standards inherently carries greater risk. Whilst Option 2 is not risk-free, it is considered that this is likely to carry fewer risks whilst delivering the required full-year savings from 2024/25.

Undertaking engagement/consultation on the proposals will help further assess the risks involved, the potential effect of the changes, and mitigation measures to be considered.

The subsequent report to the Cabinet will enable a decision to be made as to whether the proposed service change should be implemented.

251. <u>Unaccompanied Asylum Seeking Children and the Local Authority's Duties and Responsibilities.</u>

The Cabinet considered a report of the Director of Children and Family Services advising of the increasing numbers of adult asylum seekers and migrants being housed in different locations throughout Leicestershire. Attention was also drawn to the number of Unaccompanied Asylum Seeking Children (UASC) in Leicestershire and the safeguarding responsibilities arising from this, along with the County Council's duties and responsibilities to UASC who are initially placed in adult dispersal hotels and the associated costs. A copy of the report, marked 'Agenda Item 11', is filed with these minutes.

Members acknowledged the resource implications and significant pressure on services. It was felt that MPs should be lobbying for Government to provide sufficient funding for local authorities to support asylum seekers and migrants and UASC.

RESOLVED:

That the Director of Children and Family Services be requested to write to the Home Office and Department for Education to highlight the need for an urgent review of funding for local authorities to support asylum seekers and migrants, in particular Unaccompanied Asylum Seeking Children.

REASONS FOR DECISION:

To ensure that the Cabinet is fully informed of the current situation in relation to asylum seekers and migrants being housed in Leicestershire, the County Council's duties and responsibilities including for safeguarding, and the resource implications.

The number of asylum seekers and migrants requiring support and the way in which the dispersal system is operating is placing considerable pressure on the Council's capacity and resources.

252. <u>Transforming Special Educational Needs and Disabilities (SEND) and Inclusion in Leicestershire - Programme Update.</u>

The Cabinet considered a report of the Director of Children and Family Services advising of progress with the Transforming SEND and Inclusion in Leicestershire (TSIL) programme, in particular the design phase, and seeking approval for the ongoing delivery of the programme. This would involve extending the Council's contract with its strategic partner, Newton Europe. A copy of the report, marked 'Agenda Item 12', is filed with these minutes.

Comments from Mr Hunt CC regarding the delivery of the project are also filed with these minutes.

RESOLVED:

That the Director of Children and Family Services be authorised to move to the next phase of the Transforming SEND and Inclusion in Leicestershire programme with the Service's strategic partner, Newton Europe, making the necessary contract variations under the April 2022 procurement exercise.

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REASON FOR DECISION:

Continuation of the arrangement with the Children and Family Service's strategic partner, Newton Europe, will enable the Authority to capitalise on the required expertise and skills required to deliver the identified improvements and savings needed in the complex national and regional Special Educational Needs (SEN) landscape. The continuation of the relationship will ensure that there is a fully contingent model under which £10m of annualised recurrent savings will be delivered, along with key other non-financial benefits.

253. Leicester, Leicestershire and Rutland Joint Living Well with Dementia Strategy 2024-28.

The Cabinet considered a joint report of the Director of Adults and Communities and Director of Public Health which presented the draft Leicester, Leicestershire and Rutland Joint Living Well with Dementia Strategy 2024-28 and sought approval to launch a formal consultation exercise on the Strategy. A copy of the report, marked 'Agenda Item 13', is filed with these minutes.

The Director reported that, since the report had been finalised, it had been determined that Leicester City Council would host the consultation on behalf of the County Council, Leicester City Council and Rutland Council.

RESOLVED:

- a) That the progress of the work under the current Leicester, Leicestershire and Rutland (LLR) Living Well with Dementia Strategy 2019-2022 be noted;
- b) That the draft LLR Joint Living Well with Dementia Strategy 2024-28 be approved for a formal eight-week consultation exercise;
- c) That a further report be presented to the Cabinet in the autumn providing the outcome of the consultation and seeking approval of the final LLR Joint Living Well with Dementia Strategy and delivery plan for Leicestershire.

REASON FOR DECISION:

The Strategy seeks to support people with dementia in the Leicester, Leicestershire and Rutland area and has been informed by the experiences of those living with dementia or as a carer, their families and the organisations supporting them. The proposed consultation exercise will inform the new Strategy for 2024-2028, which is being developed in partnership with local health, social care and voluntary sector organisations.

254. Review of Homeless Support Services.

The Cabinet considered a report of the Director of Public Health seeking approval to consult on the revised delivery model for homeless support services. A copy of the report, marked 'Agenda Item 14', is filed with these minutes.

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Comments from Falcon Support Services and Mr Miah CC regarding the provision of homeless support services are also filed with these minutes.

Mrs Richardson CC reported that a meeting was due to be held with Falcon Support Services in the coming days. However, she stressed that difficult decisions would need to be made and consideration was being given to providing support in a different way. She also highlighted the funding received paid for support to individuals, not the provision of a building.

The Director stated that concern had been raised by Falcon Support Services that the Falcon Centre in Loughborough would lose its exempt accommodation status. However, it was not anticipated that this would be the case.

RESOLVED:

- a) That following a review of the current service model, which does not fund the running of the Falcon Centre or any other homeless hostel, the commencement of consultation on a draft revised delivery model for homeless support services be approved;
- b) That it be noted that the proposed new service model continues to provide advice and support for those at risk of homelessness, focussed on the Council's duty to improve health and wellbeing;
- c) That a further report be submitted to the Cabinet in November 2023 regarding the outcome of the consultation exercise and seeking approval to proceed with the proposed model.

(KEY DECISION)

REASONS FOR DECISION:

Following a review of the current service model, a revised delivery model is proposed.

The current contract for the provision of homeless support services ends on 31 March 2024.

The Medium Term Financial Strategy 2023/24 – 2026/27 includes a requirement for savings via a review of homeless support services.

255. Health in All Policies in Leicestershire County Council.

The Cabinet considered a report of the Director of Public Health which informed of the approach being taken to embed Health in All Policies across Leicestershire County Council in order to integrate health considerations into all policy areas to improve health outcomes, health equity and reduce health inequalities. A copy of the report, marked 'Agenda Item 15', is filed with these minutes.

RESOLVED:

That the adoption of the Health in All Policies approach across the Council be noted and supported; this will include consideration of 'Health Implications' in all reports to the

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Cabinet and Overview and Scrutiny Committees and advocacy within every department to champion and embed Health in All Policies across the Council.

REASON FOR DECISION:

Health in All Policies is recognised as an effective, collaborative approach to combine efforts across all departments and functions to tackle the complex social, economic, environmental and commercial circumstances that shape health. Health in All Policies systematically integrates health considerations into all policy areas to improve health outcomes, health equity and reduce health inequalities. Health in All Policies is a preventative intersectoral approach that seeks to reduce the impact of poor population health on Council services, improving health, extending healthy life expectancy and prospects for residents.

256. Items referred from Overview and Scrutiny.

There were no items referred from the Overview and Scrutiny bodies.

257. Exclusion of the Press and Public.

RESOLVED:

That under Section 100A of the Local Government Act 1972, the public be excluded for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 1, 3 and 10 of Part 1 of Schedule 12A of the Act and that, in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information:

- East Midlands Development Company Limited
- Report of the Scrutiny Review Panel Recycling and Household Waste Sites
- Proposals to Develop a new Primary School to serve Market Harborough Expressions of Interest from Academy Proposers.

258. East Midlands Development Company Limited.

The Cabinet considered an exempt report of the Chief Executive, Director of Corporate Resources and Director of Law and Governance which set out further recommendations in respect of the County Council's membership of the East Midlands Development Company. A copy of the report, marked 'Agenda Item 19', is filed with these minutes. The report was not for publication by virtue of Paragraphs 1, 3 and 10 of Schedule 12A of the Local Government Act 1972.

RESOLVED:

 a) That in the context of ongoing uncertainties about when legislation and subsequent processes would allow an 'East Midlands' locally-led urban development corporation or a mayoral development corporation to be established, the roles either would seek to adopt and the possible impact on Leicestershire, the County Council remains in membership of the East Midlands Development Company;

- b) That the County Council, however, has not seen any case for it to fund the Company by a £500,000 grant for the current financial year and will not be making such a grant;
- c) That the County Council is concerned that the proposal prepared by consultants for the three sites identified in the Company's Members' Agreement, and one other site, which collectively the Company wishes to promote to investors, have not been the subject of public consultation or adequate consultation with all landowners, which is of increasing concern following discussion between ministers and the local authorities which own the Company;
- d) That the County Council remains concerned that the Company Board has not been properly informed by the Managing Director of all the Council's concerns in respect of the Company's management and governance;
- e) That the County Council renew representations to achieve a change in governance given the concerns referred to in c) and d) above, including the view that Company business decisions should be taken by elected members serving on the Board and not by officers;
- f) That the Chief Executive, following consultation with the Leader of the County Council, be authorised to appoint a senior County Council officer to act as a Director of the Company;
- g) That the Company be advised accordingly in response to the letter of 5th April 2023 to the Leader of the County Council from the then Leaders of the other local authorities who own the Company, the officers of those authorities who are members of the Company's Board and the Board Chair and Managing Director;
- h) That the Company also be advised that the County Council does not agree with the Company proceeding to public consultation of its 'prospectus' if that document excludes proposals for development of sites which have been discussed within the Board and do not have the support of all the owners of the Company.

REASON FOR DECISION:

It is necessary to consider the County Council's membership of the Company in light of the circumstances described in previous reports to the Cabinet.

259. Report of the Scrutiny Review Panel - Recycling and Household Waste Sites.

The Cabinet considered an exempt report of the Chief Executive which presented the key findings and recommendations of the Scrutiny Review Panel on Recycling and Household Waste Sites. A copy of the report, marked 'Agenda Item 20', is filed with these minutes. The report was not for publication by virtue of Paragraphs 3 and 10 of Schedule 12A of the Local Government Act 1972.

Comments from Dr Feltham CC regarding the Report are also filed with these minutes.

Mrs Radford CC wished it to be recorded that she would be voting against the findings and recommendations of the Scrutiny Review Panel.

RESOLVED:

- a) That the Report of the Scrutiny Review Panel on Recycling and Household Waste Sites be accepted;
- b) That the Chief Executive be requested to ensure that the recommendations of the Scrutiny Review Panel are acted upon.

(KEY DECISION)

REASON FOR DECISION:

The Panel has made a number of recommendations to the Cabinet which it considers would enable savings to be made from the Recycling and Household Waste Site (RHWS) service whilst also ensuring that the County Council complies with its legal duties to provide residents in its area with *'reasonably accessible'* sites and the impact on local residents is minimised.

260. <u>Proposals to Develop a new Primary School to Serve Market Harborough - Expressions</u> of Interest from Academy Proposers.

The Cabinet considered an exempt report of the Director of Children and Family Services advising of Expressions of Interest received from academy proposers to operate a new primary school to serve the area of Market Harborough and to make recommendations to the Secretary of State for Education to enable a decision to be taken on a preferred sponsor for the new school. A copy of the report, marked 'Agenda Item 21', is filed with these minutes. The report was not for publication by virtue of Paragraphs 3 and 10 of Schedule 12A of the Local Government Act 1972.

RESOLVED:

- a) The six expressions of interest received from the Community Inclusive Trust, David Ross Education Trust, Discovery Schools Academy Trust, Inspiring Futures Through Learning, The Duston Education Trust and Tudor Grange Academy Trust, to operate the new 210 place primary school to serve the Market Harborough area be noted;
- b) The four academy proposers that have progressed to Stage 2 of the process, and the scoring attached to each as set out in Appendix D to this report, and which defines the County Council's order of preference, be noted;
- c) All four proposers at (b) above be recommended to the Secretary of State for Education (with whom the decision rests), as potential suitable sponsors to operate the new school in Market Harborough;
- d) The Secretary of State be advised that given the strength of the four applications that there is no reason to suggest that it would be necessary to look elsewhere to secure an academy sponsor;
- e) It be noted that further information will be provided to the Cabinet and local members once the decision on a preferred sponsor has been taken and confirmed by the Regional Director, acting on behalf of Secretary of State for Education.

REASONS FOR DECISION:

The Education Act 1996 places a statutory duty on the County Council to ensure a sufficient supply of school places.

The provision of a new 210 place primary school to predominantly serve the Market Harborough Airfield Farm development is planned to open in September 2024. On completion, the Airfield Farm development will comprise 924 dwellings and the school will also provide places for pupils living on new neighbouring housing developments in Market Harborough.

Seeking Expressions of Interest from suitable academy proposers (sponsors) is in keeping with the requirements placed upon the County Council by Section 6A (the Free School Presumption) of the Education and Inspections Act 2006, as introduced by the Education Act 2011.

By completing the Expressions of Interest process, the County Council has been able to assess the organisations which have applied and confirm their expertise, capacity, experience and other credentials necessary to run the new school.

Ensuring that all organisations recommended to the Secretary of State for consideration are already 'approved' sponsors on the Department for Education (DfE) register will help to demonstrate their capabilities and should enable an early decision to be taken.

11.00am – 12.18pm 23 June 2023 CHAIRMAN



CABINET – 15 SEPTEMBER 2023

LEICESTERSHIRE AND RUTLAND SAFEGUARDING ADULTS BOARD ANNUAL REPORT 2022/23

REPORT OF THE INDEPENDENT CHAIR OF THE LEICESTERSHIRE AND RUTLAND SAFEGUARDING ADULTS BOARD

<u>PART A</u>

Purpose of the Report

- 1. The purpose of this report is to bring to the Cabinet's attention the Annual Report 2022/23 for the Leicestershire and Rutland Safeguarding Adults Board (LRSAB) for consultation and comment. The draft Annual Report is appended to this report.
- 2. Any comments or proposed amendments made by the Cabinet will be addressed in the final report before it is published later in September 2023.
- 3. The final Annual Report is the report of the Independent Chair who must publish an annual report on the effectiveness of safeguarding adults in the local area. This is a statutory requirement under the Care Act 2014.

Recommendations

4. It is recommended that the Cabinet notes and comments on the Leicestershire and Rutland Safeguarding Adults Board Annual Report for 2022/23 particularly in relation to the business of the County Council.

Reasons for Recommendations

- 5. The LRSAB is a statutory body and local authorities have a duty to ensure that the Board is enabled to operate effectively.
- 6. It is a requirement of the Care Act 2014 that the LRSAB Annual Report be reported to the Leader of the Council together with the Chief Executive of the local authority, the Chairman of the Health and Wellbeing Board, the Police and Crime Commissioner and local Healthwatch.
- 7. In Leicestershire and Rutland the Annual Report has traditionally also been presented to the Cabinet and the Adults and Communities Overview and Scrutiny Committee.
- 8. Presenting the Annual Report enables the Cabinet to comment on the content of the Annual Report and consider whether the report identifies matters that it wishes to

address in relation to the effectiveness of safeguarding within the work of the Authority.

Timetable for Decisions (including Scrutiny)

- 9. The LRSAB Annual Report was considered by the Adults and Communities Overview and Scrutiny Committee on 4 September 2023 and its comments will be reported to the Cabinet.
- 10. Any proposed additions or amendments to the Annual Report made by the Cabinet will be considered for incorporation into the final report, before it is published by the end of September 2023.

Policy Framework and Previous Decisions

- 11. The LRSAB is a statutory body established as a result of the Care Act 2014. The main purpose of the LRSAB is to ensure effective, co-ordinated multi-agency arrangements for the safeguarding of vulnerable adults.
- 12. As outlined above it is a statutory requirement for the Chair of the SAB to publish an annual report into the effectiveness of safeguarding adults arrangements in the local area. This report must be reported to the Leader of the Council together with the Chief Executive of the local authority, the Chairman of the Health and Wellbeing Board, the Police and Crime Commissioner and local Healthwatch.

Resource Implications

- 13. There are no resource implications arising from this report, as this is a retrospective report. The LRSAB operates within a budget to which partner agencies contribute.
- 14. Safeguarding Adults Board statutory partners have, along with Safeguarding Partners for safeguarding children, set a single agreement of principles to share the operating costs of the Safeguarding Children Partnerships (SCPs) and Safeguarding Adults Boards for Leicester, Leicestershire and Rutland.
- 15. As part of this agreement Leicestershire County Council contributed £119,266 to the LRSAB and SCP in 2022/23. This is 33% of the total funding for the LRSAB and SCP (£364,633). This compares with £102,496 in the previous year which was 31% of the total pooled budget for the Leicestershire and Rutland LSCB, SCP and SAB of £327,126 in 2021/22.
- 16. Expenditure has significantly reduced in the last year. This is due to support services no longer being used, with the processes being brought in-house. Additionally, expenditure on Safeguarding Adult Reviews decreased due to the number of reviews already being in an advanced stage and alternative methodologies being used, as appropriate. There was no cost for engagement as a number of projects had been paid for in the previous year. As of 1st April 2023, the Safeguarding Partnership's reserve funds stand at £168,895. Plans for further use of these reserve funds will be drawn up in the coming year.

17. Leicestershire County Council also hosts the Safeguarding Partnerships' Business Office that supports the SAB and the SCP.

Circulation under the Local Issues Alert Procedure

18. None.

Officers to Contact

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Jon Wilson, Director of Adults and Communities Tel: 0116 305 7454 Email: jon.wilson@leics.gov.uk

PART B

Background

Annual Report 2022/23

- 19. The key purpose of the Annual Report is to assess the impact of the work undertaken in 2022/23 on service quality and on safeguarding outcomes for adults in Leicestershire and Rutland. Specifically, it evaluates performance against the priorities that were set out in the LRSAB Business Plan 2022/23.
- 20. A pre-publication draft of the Annual Report 2022/23 can be found in full as the Appendix to this report.
- 21. The key messages from the LRSAB, specifically in relation to Leicestershire are:
 - a) As is reported nationally, there continues to be pressure on the health and care services in Leicestershire, and in turn this impacts on the workforce.
 - b) In relation to its Hidden Harm Business Plan Priority, the LLR SAB Performance Subgroup produced a Hidden Harm Assurance Report for 2022/2023. It collated information from across subgroups and partnerships on hidden harm, including analysis of insights project, alerts and community concerns. It was presented to the SABs early in the new business year. Work was subsequently completed in relation to Self-neglect, Domestic Abuse, Cuckooing, and Adults with learning disabilities.
 - c) In relation to the LRSAB's Care Homes Business Plan Priority, work included a resource pack was developed by the LLR SAB Training Subgroup for care providers. It highlights procedures, guidance, information and resources available to care homes. A multi-agency audit was carried out, and the LLR SAB Performance Subgroup collated data and assurance on safeguarding in care homes and produced a report for 2022/2023. It will be presented to the SABs early in the new business year.
 - d) Data has not altered significantly; the LRSAB will look at this in the next year as it returns to pre-Covid service levels.
 - e) There were fewer Safeguarding Adults Reviews (SARs) commenced in 2022/23 and the LRSAB continued to work on and implement the lessons learnt from SAR reviews.
 - f) Stronger links were formed between the SAB and the LLR Carers Delivery Group through the representative of that group joining the Board.
- 22. The LRSAB will be working to support the safeguarding of adults in relation to Self-Neglect, Mental Capacity and Domestic Abuse, via the Business Plan for 2023/2025.

Consultations

- 23. The draft Annual Report is produced as a summary of the work of the SAB which has been caried out in relation to safeguarding and prevention. the final report will be published on the Leicestershire and Rutland website <u>here</u>.
- 24. All members of the Board have had opportunities to contribute to and comment on earlier drafts of the Annual Report.

Comments of the Adults and Communities Overview and Scrutiny Committee

25. The Report was also considered by the Adults and Communities Overview and Scrutiny Committee at its meeting on the 4 September 2023.

Equality Implications

26. The LRSAB seeks to ensure that a fair, effective and equitable service is discharged by the partnership to safeguard vulnerable adults. At the heart of the work is a focus on any individual or group that may be at greater risk of safeguarding vulnerability. The Annual Report includes a summary analysis of the characteristics of the subjects of SARs.

Human Rights Implications

27. There are no human rights implications arising from the recommendations in this report.

Crime and Disorder Implications

28. The LRSAB works closely with community safety partnerships in Leicestershire to scrutinise and challenge performance in community safety issues that affect the safeguarding and well-being of individuals and groups, for example domestic abuse and Prevent. The Safeguarding Partnerships Business Office also supports community safety partnerships in carrying out Domestic Homicide Reviews.

Background Papers

Report to the Cabinet on 23 September 2022 "Leicestershire and Rutland Safeguarding Adults Board Annual Report 2021/22" https://politics.leics.gov.uk/ieListDocuments.aspx?Cld=135&Mld=6776

Leicester, Leicestershire & Rutland Safeguarding Adults Board Business Plan 2022-23 https://lrsb.org.uk/sab-annual-reports-and-business

<u>Appendix</u>

Leicestershire and Rutland Safeguarding Adults Board Draft Annual Report 2022/23

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Leicestershire & Rutland Safeguarding Adults Board Annual Report - 2022-23



A Message from the Independent Chair

I was delighted in December 2022 to be offered the role of chairing the Leicester and Leicestershire & Rutland Safeguarding Adults Boards. Partners have already impressed me with their commitment to people who use our services, and working together to make sure that we understand the profile of those adults at risk, and ensuring they receive the care, support and services they require when necessary.

Since taking up the role, I have started to make sure that I get out and about in the area to gain an understanding of the local issues. I am passionate about supporting the Boards to constantly ensure that residents are at the centre of all that we do, and that our processes and procedures support this focus.

The subgroups that support the work of the Safeguarding Adults Boards have delivered a great amount this year which is all detailed in the Report; however, partners are aware we still have a lot of work to do. Currently we are looking at the information and data collected by partners across the Boards to see what this is telling us about the nature of safeguarding activity, so that we can consider how we prevent adults being in vulnerable situations which lead to them being at risk of abuse. It is also important where there are risks that we all work together to swiftly address any concerns highlighted. All partners want to ensure that we work, and make decisions that are evidence based, and take account of the people who use our services views and aspirations.

It is hard for people at the current time, with emergence from COVID 19, and isolation and loneliness still significant issues for many. The pressures on households may continue in the foreseeable future with the fluctuations of economic pressures, which partners are all aware can add to stress within families. This at times can be very challenging.

I would like to thank all partners for their hard work and dedication and professionalism in working to support adults at risk and being open to continually looking to improve the services/support provided, and I look forward to continuing the work with them in the future.

I hope you will find that this Annual Report reflects well on the work of the Leicestershire & Rutland Safeguarding Adults Board for 2022/23 as already highlighted and the challenges some of which remain for our communities.

The Safeguarding Adults Boards are currently reviewing their Strategy and refreshing some elements of this, so that we focus on the issues that really matter in Leicester, Leicestershire, and Rutland, and we work to increase our ability to gain feedback from as many people as possible to inform future objectives.

We are also working with other partnership Boards, and the Health and Wellbeing Board, to continue to coordinate across the area with regard to protecting and supporting any adult at risk.

There is a lot that we need to do and want to do to reduce the risks of abuse and neglect in our communities and support people who are most vulnerable to these risks. This is a journey that we are all making together, and I look forward to chairing the Safeguarding Adults Boards in the next year to continue this journey.

Seona Douglas, Independent Chair

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The Safeguarding Adults Board

The Care Act 2014 stipulates that each local authority must set up a Safeguarding Adults Board (SAB). The main objective of a SAB is to assure itself that local safeguarding arrangements and partners act to help and protect adults in its area. A SAB must publish an annual report detailing what the SAB has done during the year to achieve its main objective and implement its strategic plan, and what each member has done to implement the strategy as well as detailing the findings of any safeguarding adults reviews and subsequent action.

The Leicestershire & Rutland Safeguarding Adults Board brings together organisations across the counties of Leicestershire and Rutland to oversee the multi-agency approach to safeguarding adults with care and support needs.

The work of the SAB is informed by the six key principles which underpin all adult safeguarding work, as set out in the <u>Care and Support Statutory Guidance</u>:

- Empowerment
- Prevention
- Proportionality
- Protection
- Partnership
- Accountability.

The SAB:

- · Sets how organisations should work together to safeguard adults with care and support needs
- Provides multi-agency training and development resources to support good safeguarding
- · Tests how well organisations are working together and the difference this is making
- · Reviews serious safeguarding incidents to identify improvements needed
- Uses learning and feedback to improve and develop how agencies work together to safeguard adults.



Safeguarding adults means helping adults at risk who need support from community care services to keep their independence, remain safe and exercise choice in their life. The Board partner agencies from the statutory, voluntary and independent sector come together to seek assurance that the persons thought to be at risk stay safe, are effectively safeguarded against abuse, neglect, discrimination, are treated with dignity and respect and enjoy a high quality of life.

The SAB members are made up of the following agencies:

LEICESTERSHIRE & RUTLAND SAB MEMBERSHIP		
	Leicestershire Police	
Criminal Justice	HMP Prisons	
	National Probation Service (NPS)	
Emergency Services	East Midlands Ambulance Service (EMAS)	
Emergency Services	Leicestershire Fire and Rescue Service (LFRS)	
	Leicester, Leicestershire and Rutland Integrated Care Board (ICB)	
Health	Leicestershire Partnership NHS Trust (LPT)	
	University Hospitals Leicester NHS Trust (UHL)	
	Adult Social Care	
Local Authorities (Leicestershire and Rutland)	Public Health	
	Lead Member	
District and Borough Councils	Joint representative for all areas	
Government Department	Department of Work and Pensions	
Consumer Champions	Healthwatch	

For the beginning of the period this report covers, the Clinical Commissioning Groups (CCGs) for the area were partners, but these were replaced by an Integrated Care Board (ICB) from July 2022.

A new Independent Chair, Seona Douglas, was appointed in December 2022. The Independent Chair for Leicestershire and Rutland is jointly appointed with the Leicester Safeguarding Adults Board.

The full membership of the partnership can be found on the SAB website <u>https://lrsb.org.uk/sab-membership-list</u>

This is the statutory annual report of the SAB outlining the work it has carried out during 2022/23. For more information on how the Board works please visit <u>www.lrsb.org.uk/adults</u>

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Safeguarding Data

Leicestershire

Safeguarding Enquiries and Alerts

	2021/22	2022/23
Individuals Involved In Safeguarding Concerns	4423	4035
Individuals Involved In Section 42 Safeguarding Enquiries	621	457
Conversion rate of concerns to enquiries	14%	11%
Number of Concluded Section 42	694	494

Concluded Enquiries by Types of Abuse

(more than one type of abuse can be recorded against enquiries so percentages will not add up to 100%)

	2021/22	2022/23
% of completed enquiries which record – Physical Abuse	31%	28%
% of completed enquiries which record – Sexual Abuse	9%	10%
% of completed enquiries which record – Psychological Abuse	21%	23%
% of completed enquiries which record – Financial or Material Abuse	24%	23%
% of completed enquiries which record – Discriminatory Abuse	1%	<1%
% of completed enquiries which record – Organisational Abuse	19%	22%
% of completed enquiries which record – Neglect or Acts of Omission	28%	32%
% of completed enquiries which record – Domestic Abuse	7%	10%
% of completed enquiries which record – Sexual Exploitation	3%	2%
% of completed enquiries which record – Modern Slavery	2%	2%
% of completed enquiries which record – Self-Neglect	4%	5%

Making Safeguarding Personal

Concluded Enquiries - outcomes asked / expressed

	2021/22	2022/23
Yes they were asked and outcomes were expressed	54%	56%
Yes they were asked but no outcomes were expressed	14%	14%
No	17%	15%
Don't know	5%	5%
Not recorded	10%	10%

Concluded Enquiries where outcomes expressed - outcomes achieved

	2021/22	2022/23
Fully Achieved	60%	58%
Partially Achieved	33%	35%
Not Achieved	7%	7%



Leicestershire has seen a drop in concerns and enquiries. There has been a drop in the category of physical abuse and an increase in neglect. Consequently, the highest category of abuse in 2022-23 is neglect and acts of omission. "Fully achieved" desired outcomes is still primarily the recorded outcome at the end of the enquiry.

"My relative is being looked after in the care home very well. I am more than satisfied. I go into see her every day and I see for myself the excellent care she receives."

"Excellent carers – kind and caring. They keep in touch with my daughter-inlaw and let her know if the nurse or GP needs to be contacted."

Feedback from people who use Leicestershire services

Rutland

Safeguarding Enquiries and Alerts

	2021/22	2022/23
Individuals Involved In Safeguarding Concerns	277	261
Individuals Involved In Section 42 Safeguarding Enquiries	33	44
Conversion rate of concerns to enquiries	12%	17%
Number of Concluded Section 42	36	24

Concluded Enquiries by Types of Abuse

(more than one type of abuse can be recorded against enquiries so percentages will not add up to 100%)

	2021/22	2022/23
% of completed enquiries which record – Physical Abuse	19%	4%
% of completed enquiries which record – Sexual Abuse	8%	4%
% of completed enquiries which record – Psychological Abuse	6%	0%
% of completed enquiries which record – Financial or Material Abuse	0%	13%
% of completed enquiries which record – Discriminatory Abuse	0%	0%
% of completed enquiries which record – Organisational Abuse	0%	0%
% of completed enquiries which record – Neglect or Acts of Omission	64%	75%
% of completed enquiries which record – Domestic Abuse	3%	4%
% of completed enquiries which record – Sexual Exploitation	0%	0%
% of completed enquiries which record – Modern Slavery	0%	0%
% of completed enquiries which record – Self-Neglect	0%	0%

Making Safeguarding Personal

Concluded Enquiries - outcomes asked / expressed

	2021/22	2022/23
Yes they were asked and outcomes were expressed	86%	79%
Yes they were asked but no outcomes were expressed	11%	0%
No	0%	0%
Don't know	0%	4%
Not recorded	3%	17%

Concluded Enquiries where outcomes expressed - outcomes achieved

	2021/22	2022/23
Fully Achieved	55%	58%
Partially Achieved	39%	26%
Not Achieved	6%	16%



Rutland has seen a small drop in concerns; however, an increase in enquiries. There has been a drop in the category of physical abuse and an increase in financial abuse compared to 2021-22. Rutland believe that there may be some interaction between neglect and physical abuse – i.e. they may be cross-recorded as multiple categories of abuse. Rutland are starting to see multiple recording of categories of abuse as it is a true reflection of the abuse that occurred. This has only happened in a couple of enquiries in 2022/23 but will be more present in 2023/24 reporting. The highest category of abuse remains neglect and acts of omission. "Fully achieved" desired outcomes is still primarily the recorded outcome at the end of the enquiry.

"They were helpful and they did their best for me." "I could say what I wanted to say and they listened to me." Feedback from people who use Rutland services

Meeting our Strategic Priorities

The SAB set a joint Strategic Plan for 2020-2025 with the Leicester SAB in 2020 which provides the framework for forward priorities of the two SABs.

The strategic priorities are:

Core Priorities

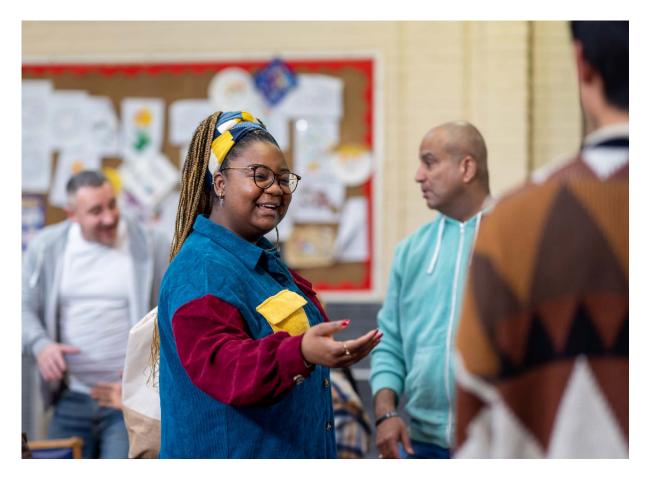
- 1. Ensuring Statutory Compliance carrying out the required functions of the SAB
- 2. Enhancing Everyday Business of our partners

Developmental Priorities

- 1. Strengthening User and Carer Engagement
- 2. Raising awareness within our diverse communities
- 3. Understanding how well we work together
- 4. Prevention helping people to stay safe, connected and resilient to reduce the likelihood of harm, abuse or neglect

The SAB also sets annual Business Plans to progress work as part of the Strategic Plan. The work on these priorities is embedded within the assurance, training, procedure and review work of the SAB outlined further in the following sections of this report.

The annual business plan priorities for 2022/23 were Hidden Harm and Care Homes. Further detail on these is provided later in the report.



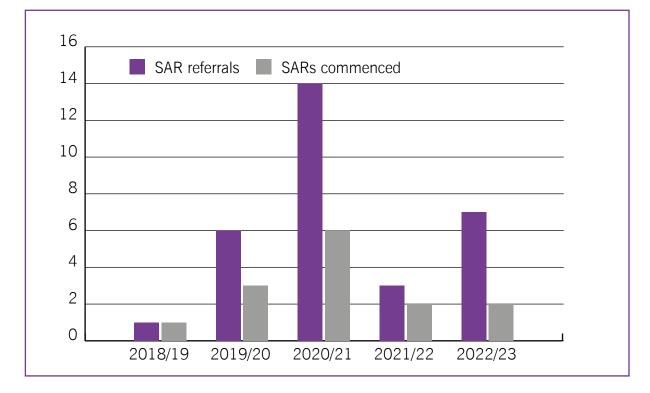
Core Priority 1: Ensuring statutory compliance

Safeguarding Adults Reviews

Safeguarding Adults Boards have a statutory duty under Section 44 of the Care Act 2014 to undertake Safeguarding Adults Reviews (SARs) into cases where individuals with care and support needs have been seriously harmed or died and abuse or neglect is suspected. The reviews are focused on identifying how multi-agency safeguarding systems and practice can be improved in future.

During 2022-23 the SAB had seven referrals for SARs. This is an increase of three referrals from 2021-22 but a reduction from 14 in 2020-21. The SAB identified two of these met the criteria for a review. One of these SARs resulted from a re-referral. Another SAR from a referral made in 2022-23 will be commenced within 2023-24. With the other referrals, the SAB determined the cases did not meet the criteria for a SAR. The SAB continued work on seven other SARs, with four of these being completed and two being published during the year.

The chart below shows the number of referrals for SARs and SARs commenced each year for the past five years. In some cases, a SAR may have been referred in one year and commenced in the next year.



Of the nine people considered as subjects of SARs agreed or under way during 2022/23:

- Five (55%) were female and four (45%) male
- Seven (78%) were of White British ethnicity, one (11%) of Asian ethnicity and one (11%) of White and Black mixed heritage
- Two (22%) were aged over 65 and one (11%) was aged under 25
- Three (33%) had mental ill-health
- Three (33%) had a learning disability

We have reviewed how we record protected characteristics of adults in our Safeguarding Adults Reviews to ensure that each individual's diverse needs and experiences are identified and analysed appropriately. We recognise the importance of continuing to develop our understanding of under-representation of people from the Black, Asian and Multi-Ethnic/Global Majority communities.

Of the five reviews open at the end of March 2023, one had been in progress for more than 18 months, two further had been in progress for around 12 months and two had been in progress for 6 months.

Key areas of learning from the SARs worked on during 2022-23 were:

- When working with adults with a learning disability, agencies need to be assured that they place their voice at the centre of care plans
- Practitioners need to feel confident to address and challenge the use of inappropriate language, including if used by carers and family members of adults with a learning disability
- Adults with a learning disability are at risk of diagnostic overshadowing
- Opportunity to apply the Mental Capacity Act is sometimes missed resulting in decisions being made that are not necessarily always in the best interest of the person at risk
- · Practitioners need to understand how and when to escalate concerns
- Agencies need to promote advocacy services and empower their practitioners to know when and how to seek advocacy services
- Work needs to continue around the identification of carers, carer's assessments and to recognise carer strain
- Practitioners need to be cognisant to the signs and indicators of Domestic Abuse in older people and not assume behaviour is due to carer's stress or symptomatic of physical/mental ill health e.g., Dementia.

Action plans are in place to address the findings from reviews.

The SAB shared key messages from SARs through its <u>Safeguarding Matters newsletter</u>. To support workers to put learning from SARs into practice, the SAB has continued to use <u>7-minute learning briefings</u>. These concise documents are focused on encouraging reflection and development within teams and by individuals to develop practice in response to the learning.

A Leicestershire Adults & Communities' Staff Survey showed that 87% of respondents agreed that 'The Council has a Safeguarding Adults Board which has a clear understanding of safeguarding risks and a clear, resourced plan to address them'. Some comments indicated that improvements had been made within safeguarding and having a Lead Practitioner for Safeguarding within Leicestershire Adult Social Care was beneficial. Learning from SARs was also identified as a strength during the staff workshops. Suggestions to improve partnership working in relation to safeguarding included, building on the work of the SAB, open and honest communications, greater awareness of roles and responsibilities amongst all partners, joint training and events.

As a result of learning from SARs we have:

- Produced a special issue of Safeguarding Matters on working with adults with learning disabilities, including case studies based on SARs and articles on topics such as being a good communicator, addressing and challenging inappropriate language, Annual Health Checks, Diagnostic Overshadowing and Mental Capacity
- Formed better and closer links between the SAB and the Transforming Care Team and LeDeR
- Carried out awareness raising regarding the LLR Escalation procedure via Safeguarding Matters Live
- Sought assurance from key agencies regarding their approach to informing staff about escalation routes and how to address professional differences
- Added Mental Capacity Act (MCA) Training as a development objective to the workplan of the LLR SAB Training Subgroup. Also, the SAB Audit Subgroup has decided to carry out an MCA audit in 2023-24
- Commissioned a training session from POhWER, a UK Advocacy Charity, on Independent Mental Capacity Advocates (IMCAs), focusing on safeguarding, and published an article on "Understanding Mental Health Terminology", including IMCA and Advocate, in Safeguarding Matters
- Formed stronger links between the SAB and the LLR Carers Delivery Group, with a representative now sitting on the SAB. This will help track progress against the priorities identified in the "Joint Carers Strategy Refresh 2022-2025 – Recognising, Valuing and Supporting Carers in Leicester, Leicestershire and Rutland"
- The multi-agency Domestic Abuse procedure was updated throughout to reflect changes as a result of the introduction of the Domestic Abuse Act 2021.

This business year, Leicestershire & Rutland SAB also added its published reviews to the <u>National</u>. <u>Safeguarding Adults Review (SAR) Library</u> developed by the National Network for Chairs of Adult Safeguarding Boards.

Regional work

Leicestershire & Rutland SAB were involved in an East Midlands regional review of SARs. In preparation for the Care Quality Commission (CQC) inspection framework, the SAB took advantage of some work commissioned by Partners in Care and Health to provide evaluation and advice on safeguarding adults work.



Core Priority 2: Enhancing Everyday Business

Multi-Agency Safeguarding Procedures

Leicestershire and Rutland Safeguarding Adults Board works with Leicester Safeguarding Adults Board to maintain up-to-date multi-agency adult safeguarding policies and procedures across Leicester, Leicestershire and Rutland. These policies and procedures are hosted on our dedicated website called the MAPP (Multi-Agency Policies and Procedures) <u>www.llradultsafeguarding.co.uk/</u>.

Throughout 2022/23 these policies and procedures continued to be reviewed and updated in line with learning from reviews, audits, and best practice.

Updates include:

- · A new chapter on No Recourse to Public Funds
- Resolving Professional Disagreements procedure updated (to include a specific reference to Escalation)
- Modern Slavery chapter updated
- Whistleblowing chapter updated
- Mental Capacity chapter updated
- Making Safeguarding Personal chapter updated
- Domestic Abuse chapter updated
- Disclosure and Barring chapter updated
- The Care Act 2014 chapter updated
- A new chapter on Whole Family Approach
- · Safeguarding Adults Data Returns chapter updated
- Best Interests chapter updated
- Criminal Offences and Adult Safeguarding chapter updated.

A full list of new chapters and amendments made can be found on the '<u>Amendments</u>' page of the Leicester, Leicestershire and Rutland MAPP.

If you want to sign up for alerts regarding SAB procedure updates, please click here.

If you have any comments or feedback on the procedures, you can use the contact form.

Training

The SAB continued to support up-to-date training in single agencies, including all key partners and many care providers, through providing a competency framework for adult safeguarding and disseminating learning from reviews and updates to procedure and legislation.

The SAB's training co-ordination and delivery function is shared with the Leicester Safeguarding Adults Board to support consistent and effective partnership working.

We provided training resources and events in support of our priorities and learning from reviews. We continued to use a more blended approach to learning, incorporating video resources and resource packs alongside online training sessions.

Resources

The <u>LLR SABs' YouTube channel</u> continues to develop a bank of safeguarding videos and other resources that can be utilised by partners for learning and development – for example, in single agency training and supervision.

A regular Trainers' Network is facilitated, monthly email briefings are disseminated and regular <u>Safeguarding</u> <u>Matters newsletters</u> are published. As of this year, we have also introduced Safeguarding Matters Live (see below). During 2022-23, 167 additional people signed up to the Safeguarding Matters distribution list.

Training Delivery

This year <u>Safeguarding Matters Live</u> was launched. These are live online briefings for all staff across the children and adults multi-agency partnerships. They share learning from reviews and audits, procedure and guidance updates, and resources to support practice. The June 2022 briefing was attended by 289 delegates with the December 2022 briefing attendance increasing to over 500 delegates. The slides from the events are made available via our website and sessions are available to watch on the Safeguarding Children Partnerships' <u>YouTube Channel</u>.

In November 2022, a training session from POhWER, a UK Advocacy Charity, was delivered on Independent Mental Capacity Advocates (IMCAs), focusing on safeguarding.



Training Impact

We want to improve our understanding of access to and impact of SAB training resources to enable us to focus on providing effective training and learning resources that support changes in practice. To do this, we are going to join up with the Safeguarding Children Partnership who are commissioning a learning management system that will work with our continued blended approach.





Developmental Priorities 1 & 2: Strengthening User and Carer Engagement & Raising awareness within our diverse communities

Engagement

During this business year, the Leicester Engagement Subgroup became the Leicester, Leicestershire and Rutland Engagement and Communication Subgroup, allowing for a sub-regional response to this important area of safeguarding.

'What is Adult Safeguarding?' online information sessions have been regularly delivered to support those who work in Leicester, Leicestershire & Rutland, including to community members and groups.

"I have a clearer idea about the actions I could take if I suspected someone was in trouble."

"[Following the session] I will be more attentive to the possibility of adults being in need of care and support on a daily basis."

"[The information provided] will help me, as I work with vulnerable families, to speak up when I see something."

Feedback from delegates on "What is Adult Safeguarding" training

Our "See Something Say Something" awareness campaign and <u>video</u> continued to be promoted with the video having reached 1,041 views by quarter one and over 1,500 views by the end of the business year. In November 2022, the Engagement and Communication Subgroup split this longer video into three shorter videos to make them more accessible on social media:

- See Something, Say Something: Exploitation Frank's Story
- See Something, Say Something: Domestic Abuse Joe's Story
- See Something, Say Something: <u>Neglect Jenny's Story</u>

The Engagement & Communication Subgroup oversaw the SAB's promotion of adult safeguarding during National Safeguarding Adults Week 2022 (15th-21st November). This included an awareness campaign and promotion of the above safeguarding animations. A Leicestershire County Council Facebook post relating to this had over 10,000 hits by people who read, shared or commented on it, which was the highest received for a Facebook post on the County Council channel that month.

In response to the potential for exploitation, the <u>local 'Tricky Friends' animation</u> (adapted from Norfolk SAB's animation) was translated into <u>Ukrainian</u> and promoted across the partnership.

Developmental Priority 3: Understanding how well we work together

Quality assurance and service improvement

Performance data

The Performance Subgroup set up a new dataset for the Safeguarding Adults Boards (SABs). Returns are now being considered on a quarterly basis and exceptions reported into the SABs.

Self-Assessment

The LLR SAB Performance Subgroup refreshed the Quality Assurance Framework (QAF) during 2022-23.

Also, during 2022-23, the safeguarding partners and specific relevant agencies carried out a self-assessment of their safeguarding effectiveness. The Safeguarding Adults Assurance Framework (SAAF) is designed for agencies to provide assessment of their current performance in several key areas in relation to safeguarding adults and to provide a reasonable comparison with results from the previous year.

Following improvement work in the year the majority of partner agencies provided evidence that they were effective across all areas in the assessment:

- Strategic and Governance Arrangements
- · Impact on Safeguarding Considered in Service Change
- Workforce Capacity and Resilience
- Use of Making Safeguarding Personal (MSP) principles and response to safeguarding needs and welfare
- Effective response to adults at risk affected by 'hidden harm'.

Where agencies judged themselves as not meeting the standard for being 'fully effective' against an area of assessment, additional information was required to indicate how they plan to achieve full effectiveness and by when. All agencies were asked for their plans for how they would improve effectiveness. Returns will be fully analysed and presented to the SABs at the start of the 2023/24 business year.

Audits

The SAB carried out two multi-agency audit processes during 2022/23. The process brings together workers from different organisations to give a multi-agency view on practice in safeguarding cases in order to identify areas of good practice and areas for learning and improvement. The audits focus on particular themes or parts of the safeguarding process. Practitioners are invited to give a frontline perspective on cases.

The first audit focused on repeat referrals from care homes. It looked at situations where there were three repeat safeguarding referrals/alerts for adults living in a care home within a 6-month period (from 1st June 2021 to 1st December 2021).

The repeat referrals from care homes audit found:

- There was evidence that the principles of Making Safeguarding Personal are being applied. There
 were some good examples of practice where safeguarding was explained well, the views, wishes
 and desired outcomes of the adult at risk were recorded and mental capacity was considered, and
 assessed if appropriate to do so.
- Multi-agency involvement within cases, for the most part, was strong, involving a variety of relevant professionals.
- Many of the cases discussed involved people with trauma in their history.
- There were some delays in providers giving access to records/care plans.
- The three Local Authorities have different expectations and processes in place for incident reporting and providers might find it difficult if Local Authorities are asking for different things.

The findings from this audit are being taken forward as follows:

- The SAB Training Subgroup is taking forward Trauma-Informed Practice as a training need relating to Safeguarding Adults.
- The SAB Procedures Subgroup is going to update and re-launch the 'Causing Enquiries to be Made' guidance, with additional information regarding the importance of timely information sharing.
- The SAB Procedures Subgroup is to consider guidance regarding information sharing with GPs.

The second audit focused on cuckooing. This is a practice where people take over a person's home and use the property to facilitate exploitation. It takes the name from cuckoos who take over the nests of other birds. Locally, in 2020, "Guidance for Working with Adults at Risk of Exploitation: Cuckooing" was produced and launched during Safeguarding Adults Week.

The cuckooing audit found:

- Whilst cuckooing guidance has been produced and promoted locally, and there was good awareness locally of what cuckooing is, there was not much awareness of the existence of the local guidance.
- Despite the cuckooing guidance not being used, there was good evidence of multi-agency working.
- With cuckooing, an adult at risk can also sometimes be a person accused of causing harm and this can be interchangeable.
- Where there is a case with suspected cuckooing, but it does not meet the safeguarding threshold, it might be closed by Adult Social Care. Agencies might think it is being dealt with when it is not.
- Building a therapeutic relationship is important, as it enables an individual to seek and receive help. Practitioners need to consider communication methods.

The findings from this audit are being taken forward as follows:

- The SAB Procedures Subgroup will review the Cuckooing Guidance / Templates in light of learning from this audit.
- The SAB Training Subgroup will consider how the Cuckooing Guidance can be re-promoted.

Other assurance work

Partners Inspection Reports

The SABs received information on inspections of:

- Leicestershire Partnership NHS Trust (LPT) Acute Wards for Adults of Working Age and Psychiatric Intensive Care Units by the Care Quality Commission (CQC)
- Police Efficiency, Effectiveness and Legitimacy (PEEL) Assessment of Leicestershire Police by Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS).

The Health and Care Act 2022 introduced a new independent assessment process for Local Authority Adult Social Care Services and Integrated Care Systems. The Care Quality Commission (CQC) will assess services using their Assessment framework for local authority assurance.

Homes for Ukraine and safeguarding duties

There are specific safeguarding duties related to the Homes for Ukraine scheme. Therefore, in September 2022, the SABs received assurance from each of the Local Authorities about how the scheme is working in their area, support processes in place, such as checks and visits, and the process in place to deal with any safeguarding risks. 999 Ukrainian guests arrived in Leicestershire in 2022/23. The approximate number of active sponsors at the end of the year was 300. In Rutland, the number of active sponsors fluctuated during the 2022/23 period, but by March 2023 it was 32 sponsors. 131 people were housed in Rutland in 2022/23.

Information Sharing Agreement

The local Information Sharing Agreement of the Leicester, Leicestershire and Rutland Safeguarding Children Partnerships and Safeguarding Adults Boards was updated throughout 2022/23 and re-published in April 2023.

Developmental Priority 4: Prevention - helping people to stay safe, connected and resilient to reduce the likelihood of harm, abuse or neglect

Annual Business Plan Priorities

The two priorities in the Business Plan for 2022-23 were continued from 2021-22. This was due to the continued national and local prevalence of these themes, particularly due to the exacerbation of issues during the Covid-19 pandemic, and the breadth of the work requiring completion to achieve an appropriate level of assurance.

Hidden Harm

Reviewing how we work together across society to prevent the needs of, and harm to, adults with care and support needs being missed or hidden and ensuring we respond effectively.

Rationale (established 2021-22):

- Local and national SARs identify people "hidden in plain sight" as a recurring theme for improvement.
- We are concerned that, during Covid-19, services had less physical contact with and 'eyes on' people to fully understand their needs and circumstances. In addition, some informal care arrangements that support safeguarding of individuals may not have functioned in the same way when restrictions were in place.
- Specific areas of concern include self-neglect and individuals with mental ill-health and/or learning disabilities, and individuals from black and other diverse backgrounds.

What we did

As part of the Safeguarding Adults Assurance Framework (SAAF), agencies were asked "What does your agency/organisation have in place to effectively hear and respond to adults at risk affected by 'hidden harm'?" and to rate their effectiveness. Early analysis shows that all Leicestershire & Rutland agencies that responded to the question reported full effectiveness in 2022/23.

The LLR SAB Performance Subgroup produced a Hidden Harm Assurance Report for 2022/2023. It collated information from across subgroups and partnerships on hidden harm, including analysis of insights project, alerts and community concerns (see below for more detail). It was presented to the SABs early in the new business year.

Different areas where adults could be considered "hidden in plain sight" were considered across 2022-23 and the following work was completed:

Self-Neglect

- The LLR SAB Performance Subgroup's deep dive assurance exercise analysed data around the specific areas of concern identified regarding individuals who self-neglect, who have mental ill-health and/ or learning disabilities, and individuals from black and other diverse backgrounds. Local Authority demographic data indicated that:
 - The ethnicity of the majority of people across Leicestershire and Leicester, who were supported via safeguarding for either self-neglect or domestic violence categories of abuse, was White British. This may indicate under-reporting of abuse for BAME residents of our communities.
 - The percentage of people who experienced mental ill-health whilst being supported through safeguarding for either self-neglect or domestic violence categories of abuse was significantly higher in Leicestershire than Leicester.
- There was a comprehensive discussion about Self-Neglect at the SAB meeting in November 2022, considering and analysing the ongoing challenges.
- The LLR SAB Procedures Subgroup is in the process of reviewing self-neglect policy, including the use of the Vulnerable Adult Risk Management (VARM) process for individuals at high risk due to self-neglect.

Domestic Abuse

- In June 2022, a presentation on the Domestic Abuse Act 2021 was delivered to the SABs, setting out the three stages of implementation and the potential local impact.
- A Domestic Abuse and Safeguarding Research Project, entitled "Perpetrators of Domestic Abuse Against Older Adults: Characteristics, Risk Factors and Professional Responses" and carried out by Durham University, was supported by the LLR SABs. Initial findings from the research project were received at the start of the year, with a fuller update provided during March 2023. The research focuses on (i) perpetrators of domestic abuse and (ii) safeguarding older adults from domestic abuse. Learning identified is likely to be important nationally. Full analysis and outcomes will be shared once the research has been published and, in the meantime, the 2023/24 Business Plan will focus on actioning areas of improvement and promoting best practice identified so far.

Cuckooing

• A multi-agency audit focusing on "cuckooing" was facilitated by the LLR SAB Audit Subgroup. A local Safeguarding Adults Review (Leicestershire and Rutland SAB, Person D, published June 2022) identified that there was a gap in understanding the level of recording of cuckooing incidents locally. The results of the audit are discussed in more detail in the "Quality assurance and service improvement" section.

Adults with learning disabilities

- In June 2022, a presentation was given to the LLR SABs on the Transforming Care Programme (TCP) and the outcome of the Safe and Wellbeing Reviews carried out for LLR inpatients between November 2021 and February 2022.
- The "LeDeR Annual Report 2021/22 and Annual Health Checks" was presented to the LLR SABs at their Board meeting in November 2022.

Impact:

Whilst work has been undertaken locally, there is ongoing work to be done, particularly around the local self-neglect approach and responding to perceptions of domestic abuse, which still appear to focus on intimate partners rather than encouraging consideration of abuse by the wider family.

There needs to be a clearer understanding of the different groups and existing forums across the partnership that focus on adults with learning disabilities, which bring together providers and those in quality assurance and commissioning roles, and their safeguarding remit. The Board is linking with LeDeR to achieve an improved understanding of the volume and type of safeguarding issues for people with learning disabilities. It will continue to seek assurance that local safeguarding partners are working together to effectively safeguard adults with learning disabilities, challenging discrimination against people with learning disabilities and actively responding to the perspectives and experiences of people with learning disabilities.

Care Homes

Work together to support and sustain effective safeguarding in care homes.

Rationale (established 2021-22):

- A number of issues in care homes regarding quality of care and safeguarding became apparent during Covid lockdowns with increase in safeguarding alerts relating to care homes and care homes closing.
- Closure of care homes and lack of capacity in the system increases risk around safeguarding.
- As care homes open up for visitors, more people are seeing those in care homes, and therefore potential for more concerns to be raised.

What we did

A resource pack was developed by the LLR SAB Training Subgroup for care providers. It highlights procedures, guidance, information and resources available to care homes, including:

- · A brief overview of the role of Safeguarding Adults Boards
- Local Multi-Agency Policies and Procedures
- · Escalation guidance
- Thresholds guidance
- Causing enquiries to be made
- Information about Leicestershire Social Care Delivery Group (LSCDG)
- Safeguarding Adults Trainers' Network

- Safeguarding Matters newsletter
- Our YouTube channel and resources
- Social Care Institute for Excellence (SCIE)
- Research in Practice for Adults (RiPfA)
- Where to find our local, published Safeguarding Adults Reviews
- Free Mental Capacity Act Training
- Our local basic safeguarding awareness resource for safeguarding children and adults.

The resource was added to the safeguarding section of the provider.net website. Oversight of the document remains with the LLR SABs Training Subgroup where it will be reviewed on an annual basis.

In addition, Contracts and Commissioning Teams across Leicester, Leicestershire and Rutland Local Authorities and the Integrated Care Board (ICB) have reviewed the National Institute for Health and Care Excellence (NICE) "Safeguarding adults in care home guidance" published in 2021.

Local escalation procedures have also been reviewed in line with the NICE "Safeguarding adults in care home" guidance.

A multi-agency audit on care homes was completed by the SABs' Audit Subgroup. The audit focused on situations where there were 3 repeat safeguarding referrals/alerts for adults living in a care home within in a 6-month period (from 1st June 2021 to 1st December 2021). For more detailed information on learning from this audit, see the "Quality assurance and service improvement" section.

During 2022/23 the SABs received assurance on dementia care home oversight across Leicester, Leicestershire and Rutland with all three Local Authorities and the Integrated Care Board providing reports.

The LLR SAB Performance Subgroup collated data and assurance on safeguarding in care homes and produced a report for 2022/2023. It will be presented to the SABs early in the new business year.

Impact:

Work undertaken has led to a better understanding of the local picture and how local policies are informed by statutory guidance. The SAB acknowledges the challenging national picture around workforce capacity within the care sector and will ensure that resources for care providers offer up to date information and support.



Finance

The work of the SAB is supported by the Leicestershire & Rutland Safeguarding Partnerships Business Office that also supports the Safeguarding Children Partnership and carries out Domestic Homicide Reviews. The SAB is funded by contributions from its partners.

A single funding arrangement for the Safeguarding Adults Boards and Safeguarding Children Partnerships for 2020 onwards has been agreed between the statutory partners for the Safeguarding Adults Boards and the children's Safeguarding Partners for Leicester, Leicestershire & Rutland.

The contributions from partners for the Leicestershire & Rutland SCP and SAB as a whole for 2022/23 can be seen below alongside contributions for the previous year:

	2021/22	2022/23
Leicestershire County Council	£102,496	£119,266
Rutland County Council	£45,833	£50,367
Leicestershire Police	£88,725	£97,500
West Leicestershire CCG and East Leicestershire & Rutland CCG*	£88,724	£97,500
National Probation Services	£1,348	N/A
Total income for SCP and SAB	£327,126	£364,633

*Note – the contribution was made before the two Clinical Commissioning Groups became the Leicester, Leicestershire & Rutland Integrated Care Board (ICB)

Statutory partners agreed to reduce contributions for one year in 2021/22 with the difference to be funded from the SCP and SAB reserves.

Overall expenditure across the SCP and SAB for 2022/23 was £317,689. Expenditure for the SAB was apportioned as follows:

	2021/22	2022/23
Staffing	£105,579	£115,342
Independent Chairing	£4,448	£5,418
Support Services	£3,250	£0
Operating Costs	£4,556	£4,540
Engagement	£4,453	£0
Case Reviews	£19,391	£6,975
Total Expenditure	£141,677	£132,275

Expenditure has significantly reduced in the last year. This is due to support services no longer being used, with the processes being brought in-house. Additionally, expenditure on Safeguarding Adult Reviews decreased due to the number of reviews already being in an advanced stage and alternative methodologies being used, as appropriate. There was no cost for engagement as a number of projects had been paid for in the previous year.

Forward priorities 2023 onwards

The Leicestershire & Rutland SAB is developing a new joint Strategy for 2024-2027 with the Leicester SAB. The Strategy provides the framework for forward priorities of the two SABs.

The three annual priorities in the Business Plan for 2023/25 are:



For each of these areas, we have set out our rationale for prioritising the topic, and presented the key deliverables, leads, activities, impact measures and timescales. This will enable us to monitor progress and secure assurance that our actions are making a positive difference to the lived experience of adults with care and support needs. The Joint Leicester, Leicestershire & Rutland Safeguarding Adults Board Business Plan for 2023-24 is published on our website.

The SAB will also work to continue to meet its statutory responsibilities and continue to develop its approach to learning and improving safeguarding of adults.









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Agenda Item 5



CABINET - 15 SEPTEMBER 2023

MEDIUM TERM FINANCIAL STRATEGY - LATEST POSITION REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

<u>PART A</u>

Purpose of the Report

1. The purpose of this report is to provide the Cabinet with; an update on the County Council's short and medium term financial position in light of the current economic climate; seek approval for changes to the previously agreed 2023-27 capital programme; and provide an update on the MTFS revenue budget monitoring position as at the end of Period 4 (the end of July).

Recommendation

- 2. It is recommended that:
 - a) The Cabinet notes the significant financial challenges faced by the County Council, including the Period 4 monitoring position from the current financial year;
 - b) The proposed approach outlined in the report to updating the Medium Term Financial Strategy (MTFS), be approved;
 - c) The revised Capital Programme for 2023/24 to 2026/27 as set out in Appendix C to the report, be approved.

Reasons for Recommendation

- 3. To seek approval for the intended approach to the development of plans to address the latest financial position.
- 4. To seek agreement to the revised capital programme for 2023-27 which requires amendment as a result of the latest forecast financial position.

Timetable for Decision (including Scrutiny)

5. The Scrutiny Commission will consider a report on the MTFS position on 6 September 2023 and its comments will be reported to the Cabinet.

6. The Cabinet will be asked to approve the draft MTFS 2024 to 2028 for consultation in December 2023. All Overview and Scrutiny Committees and the Scrutiny Commission will consider the draft MTFS in late January 2024 and the Cabinet will then make a final recommendation to the County Council in February 2024.

Policy Framework and Previous Decisions

- 7. The MTFS for 2023/24 to 2026/27 was approved by the County Council on 22 February 2023. Over the autumn and winter of 2023, the MTFS will be reviewed and updated.
- 8. Regular reports have been provided to the Cabinet on the overall financial position.
- 9. The MTFS forms part of the Budget and Policy Framework as set out in Part 4C of the Council's Constitution.

Resource Implications

- 10. The County Council continues to face a challenging financial outlook. The current MTFS anticipated a funding gap of £13m in 2024/25 rising to £88m by 2026/27, despite savings of £62m being targeted. An initial review of the position in light of the continuing inflation pressures, including the 2023/24 pay offer, indicates that the Council will face additional costs in 2023/24 and future years.
- 11. At this stage last year the Bank of England was forecasting that inflation would peak at 13% in October 2022, although other commentators were predicting even more ominous levels. The Bank expected inflation to fall quickly but it is staying higher for longer than expected, meaning that inflation pressures exceed those anticipated in the December 2022 Local Government Finance Settlement, which has been an ongoing issue with the Settlement over many years.
- 12. The Consumer Price Index (CPI) did indeed peak in October 2022 at 11.1%, remained above 10% until March 2023 and has slowed to 6.8% in the latest set of figures, for July 2023. The Bank of England is currently forecasting that inflation will be around 5% by the end of 2023. Then the Bank expects inflation to keep on falling and that it will reach the Bank's 2% target by early 2025. There are no indications that prices will fall back towards their historic level, resulting in a permanent increase in the Council's underlying cost base.
- 13. The pressures of high inflation levels, coupled with an ever-increasing demand for core services, is presenting a challenge across the whole local government sector. However, as a very low-funded authority Leicestershire is much worse placed than most to be able resolve the problem.
- 14. In the short term, the County Council will benefit from higher than anticipated investment interest income due to continued higher level of interest rates. The Bank of England has increased the base rate of interest 14 times in a row since December 2001 in a bid to tackle high inflation. The latest rise in August 2023 took the base rate from 5% to 5.25%,

its highest level since the 2008 financial crash. With inflation falling, experts now believe the rate will peak at around a lower-than-expected 5.75% in Spring 2024 before falling to just below 4% over the next five years. In the longer term, the levels of interest are likely to fall, leaving the County Council with the need to find additional savings to offset the longer term impacts of inflation.

- 15. Based upon the available information, and assuming Government support is not forthcoming, the County Council's budget gap is set to grow from £13m in 2024/25 and could realistically exceed £100m by 2027/28. It is inevitable that the £62m of savings planned will have to increase significantly and that the County Council will need to give serious consideration to further Council Tax increases. The County Council will not be able to resolve this problem on its own, either expectations of what can be delivered will have to reduce or new funding found. £100m is almost one fifth of the Council's net budget.
- 16. The Council will continue to pursue efficiencies. However, it is clear that in the current climate, and on the back of the £250m of savings already delivered since 2010, it will not be possible to balance the Council's financial position without affecting front line service delivery. Statutory responsibilities will have to be prioritised, and whilst there may be scope for assessing service levels, it will primarily be discretionary services where most savings will need to be identified.
- 17. The Capital Programme will also need to be prioritised with only essential projects progressing. The current four-year capital programme includes a shortfall in funding of £122m which will be funded by borrowing. The additional revenue costs arising from this borrowing total £9m per annum, on the basis of internal borrowing.
- 18. The County Council continues to press the Government to address the imbalance on relative funding levels between local authorities. However, the Government appears to be maintaining the current funding position until the next parliament.
- 19. Furthermore, the financial situation also requires the Government to deal with the structural national issues around funding for those services, such as social care and Special Educational Needs and Disabilities (SEND), which are experiencing a relentless growth in demand. Proposals currently being pursued provide little comfort that the financial pressures falling on local authorities such as Leicestershire will be reduced in the short or medium term.
- 20. It is vital that the County Council continues to act as quickly as possible to address its financial problems. The challenges being faced are being felt by most authorities, including the best funded, and the authorities unable to balance their budget first will ultimately face the biggest impact upon services. The number of authorities issuing Section 114 notices, or raising the prospect of doing so, continues to grow.
- 21. The Director of Law and Governance has been consulted on the content of this report.

Circulation under the Local Issues Alert Procedure

None.

Officers to Contact

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<u>PART B</u>

2023/24 REVENUE BUDGET MONITORING - PERIOD 4

- 22. The Period 4 revenue budget monitoring exercise shows a net projected overspend of £8.9m.
- 23. The 2023/24 revenue budget and the 2023/24 to 2026/27 capital programme were approved by the County Council at its budget meeting on 22 February 2023 as part of the Medium Term Financial Strategy. The monitoring information contained within this report is based on the pattern of expenditure to the end of July 2023.
- 24. A summary of the position is shown below and set out in more detail in Appendix A.

REVENUE BUDGET MONITORING STATEMENT FOR THE PERIOD: APRIL 2023 TO JULY 2023

	Updated Budget	Projected Outturn	Difference from Updated Budget	
	£000	£000	£000	%
Schools Budget – Schools and Early Years	0	-2,090	-2,090	
Schools Budget – High Needs	0	13,970	13,970	
Net Total	0	11,880	11,880	
Children & Family Services (Other)	103,362	111,242	7,880	7.6
Adults & Communities	202,455	210,265	7,810	3.9
Public Health	-1,806	-1,806	0	0.0
Environment & Transport	93,766	93,056	-710	-0.8
Chief Executives	15,430	15,350	-80	-0.5
Corporate Resources	38,815	39,445	630	1.6
Capital Financing	26,520	25,020	-1,500	-5.7
Contingency for Inflation	21,865	25,865	4,000	18.3
Other Areas	346	-9,054	-9,400	n/a
Contribution to budget equalisation earmarked reserve	10,400	22,200	11,800	113.5
Contribution to General Fund	1,000	1,000	0	0.0
Total	512,152	532,582	20,430	4.0
Funding	-512,152	-523,652	-11,500	2.2
Net Total	0	8,930	8,930	

25. The key projected variances that have been identified are set out below. Further details of major variances are provided in Appendix B.

Children and Family Services - Schools Budget

- 26. Overall a net overspend of £11.9m is forecast on the Dedicated Schools Grant (DSG). This is made up mainly of overspends of £14.0m on the High Needs Block, offset by a forecast underspend of £1.6m on the Early Years Block, and an underspend of £0.5m on the Schools Block from schools' growth, which will be retained for meeting the costs of commissioning school places in future years.
- 27. The High Needs Block projected overspend of a net £14.0m in 2023/24 is £0.7m more than the £13.3m forecast included within the original MTFS.
- 28. Nationally, concern over the impact of Special Educational Needs and Disabilities (SEND) reform on High Needs expenditure, and the financial difficulties this exposes local authorities to, is growing. Whilst the Government's recent Green Paper is set to result in systemic changes to the national SEND system, such changes may take a number of years to deliver and none appear to address the funding issues.
- 29. Leicestershire has been invited into the Department of Education's (DfE) Delivering Better Value (DBV) in SEND programme as a result of the deficit. At the end of 2022/23 the accumulated High Needs deficit stood at £35.5m. Leicestershire has received £1m to support the transformation of the SEND system. The Transforming SEND in Leicestershire (TSIL) programme is mobilised and is supported by colleagues across the Authority and by an external strategic partner, Newton Europe, (independent consultants appointed by the Council); this programme and the DBV programme will be closely aligned. Discussions have taken place with the DfE regarding the strategic partner and funding. Whilst the cost of the strategic partner cannot be charged to DSG the investment in TSIL is recognised as a key step in reducing the DSG deficit and as such would be taken into consideration if there was a call on the County Council to contribute to the deficit reduction, as has been the case for authorities with even more serious deficits.
- 30. Without new interventions the High Needs block deficit is forecast to continue to increase over the MTFS period and is not financially sustainable. This creates a significant and unresolved financial risk to the Council. Work is underway to reassess the financial impact on the budget over the coming months.
- 31. The Early Years budget is showing an underspend of £1.6m. The budget is based on the number of hours used to calculate the original 2023-24 Early Years DSG income in December 2022. The 2023-24 Early Years DSG income was increased in July 2023 by £1.7m to allow for the Spring Term 2023 census. This includes a prior year adjustment of £0.6m relating to 2022/23. The forecast hours paid to Providers for 2023-24 are £1.2m more than the budget, reflecting the increase in Spring 2023. There is also a planned underspend of £0.9m as part of the payback of previous years' Early Years deficits. The deficit as at 31 March 2023 was £5.3m, so this projected £1.6m underspend will reduce this. The plan is to clear this deficit over 4 years.

Children and Family Services - Local Authority Budget (Other)

32. The Local Authority budget is projected to overspend by a net £7.9m (7.6%), mainly relating to projected overspends on the Children's Social Care Placements budget (£5.5m) and Unaccompanied Asylum Seeking Children's budget (£1.9m).

- 33. The actual number of Children in Care (CIC), currently circa 686 and broadly consistent with CIC numbers in Leicestershire since early 2021, has continued to stabilise through the work of the Defining Children and Family Services for the Future Programme. The number of older children with complex emotional needs requiring higher levels of support in residential care has also remained in line with current MTFS projections, circa 10-11% of overall children in care numbers.
- 34. The projected overspend on the Children's Social Care Placement budget (£5.5m) is largely due to the average weekly cost per residential placement having increased from £4,800 per week (budgeted average cost included in the MTFS) to the current average of £5,750 per week which equates to a 20% increase in the last 12-18 months. The increase is partly related to the cohort of children (those with the most appropriate fit for residential care) but the main contributing factor is market pressures. A lack of provider capacity and volatility in the market, as well as increasing complexity and/or different cohort of children and young people needing placements, has significantly increased the cost of new placements compared to those placements ending.
- 35. Market instability and provider choice is resulting in children with a range of complex needs being 'unattractive' to the market (needs includes violence, aggression as a result of experiencing trauma) and results in the use of high cost (£10,000+ pw per child) interim provisions until behaviour stabilises or another placement can be found. Other sufficiency issues affecting budget pressure include a lack of step-down options from residential provision (circa 10 children who have been waiting long periods for family-based placements), with continued searches and work with providers to try to identify suitable provision, not helped with a low recruitment pipeline for mainstream carers which particularly affects availability of placements for older children and those with more complex needs.
- 36. As part of the actions being taken to mitigate against these financial pressures, the Defining Children and Family Services for the Future programme has several workstreams to enable MTFS benefits to be achieved alongside the Social Care Investment Programme (SCIP) working in partnership with Barnardo's. This will have a positive impact through the creation of additional residential provision capacity for under 16's, over 16's and parent and children placements. The Council has been successful in obtaining additional capital grant funding (match funded by the County Council) to enable investment in nine properties and up to 27 placements over the MTFS, of which one unit is currently up and running with children placed and several other units are to become operational later this financial year. Part of the registration process of these units requires each unit's operational infrastructure to be live-in preparation for Ofsted to grant its registration which subsequently adds one-off additional costs to the placement budget forecast. These have been factored into the forecast (current estimate circa £1m), and several units are planned to become operational over the course of this financial year.
- 37. The £1.9m projected overspend position in relation to the Unaccompanied Asylum-Seeking Children (UASC) budget is largely due to the rapid increase in UASC in care and care leavers, which has required a greater resource requirement to meet their needs. The different entry routes include both the National Transfer Scheme (NTS), as well as

spontaneous arrivals, and more recently through the hotel dispersal scheme where requests to accommodate young people placed in Asylum Dispersal Hotels in Leicestershire are made. Whilst they have been initially assessed to be adults by the Home Office, they subsequently claim to be children which creates an additional pressure for the service to manage which is not fully funded. In addition, delays in asylum claim processes mean that the Council is often accommodating young people well past the age of 18. Home Office funding drops significantly at the age of 18, but the costs do not.

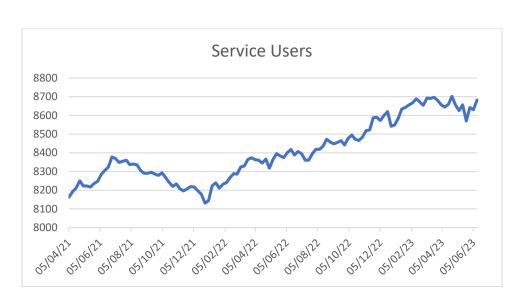
- 38. Currently there are 97 UASC in care. This is an increase of 37 young people (62%) since 31 March 2022. This rise continues the upward trend experienced in 2021/22, an expected increase due to the NTS becoming mandatory and two dispersal hotels opening in Leicestershire. The number of UASC over 18 is currently 122, which represents almost a 77% increase since March 2022, and this is linked to the increasing number of care leavers, for whom a reduced funding rate is received in comparison to the costs being incurred.
- 39. The Special Educational Needs Assessment and Commissioning Service budget is currently forecast to overspend by £1.1m in 2023/24. During the previous financial year increased service demand and complexity resulted in the need for additional service resource to ensure demand can be managed in the most efficient and effective manner, with this position continuing into 2023/24. A heavy reliance on agency workers to undertake Education, Health and Care Plan writing and tribunal work has resulted in a significant forecast overspend in this area. Meanwhile mediation costs remain high adding to the overall in-year budget pressure.
- 40. As a direct response to the projected overspends as described above, the Departmental Management Team has led a review of non-statutory services together with a robust management and review of vacancies within the Department. The output of this work is projecting to deliver some one-off in year efficiencies and budget opportunities of £0.6m which includes delaying recruitment to non-essential posts where appropriate. Further work is being undertaken to explore the feasibility of this work and its scope to deliver on-going future budget efficiencies.

Adults and Communities

41. A net overspend of £7.8m (3.9%) is forecast for the Departmental revenue budget for 2023/24.

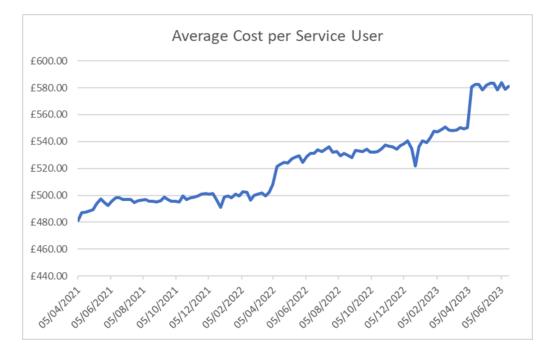
Overall Demand Trends

42. The following chart shows the overall numbers of service users being supported across Residential Care, Homecare, Supported Living, Cash Payments and Community Life Choices from April 2021 through to June 2023. Typical growth would be approximately 1-1.5% per annum. However, the current number of service users supported is around 3% per annum.



43. The following chart shows the average cost per service user over the same time period. The steep rise from April 2023 relates to the annual fee review uplift.

59



- 44. The average cost per service user was not static and rose over the course of 2022/23, mainly driven by higher cost packages within residential care from market pressures to secure a placement and increasing hours being commissioned within Homecare from increasing numbers of discharges from hospital.
- 45. The main areas of variance are:

Homecare - £7.3m overspend.

46. The current weekly homecare payments are estimated to be £0.9m per week. The forecast provides for an average of 2,700 service users for the year which is 6% higher

than the budgeted number of 2,540. Current average package costs (or hours) are also 6% higher than budgeted (excluding the fee uplift of 8.4%) at £332 per service user per week compared to the budgeted value of £313. The increase is from delaying admission into residential care and increased provision within the service user's own home, and lower numbers of service users opting to take a direct cash payment.

47. The Department has established a wide-ranging demand management programme. This is prioritising an analysis of home care data to establish whether any internal changes in practice have led to the higher spend and to what extent this has been as a result of external influences. The project is also reviewing existing savings activity to ensure these are on track to meet the MTFS targets.

Residential Care - £3.4m overspend.

- 48. The projected overspend is mainly due to increases in the average weekly cost per residential placement over and above the planned inflationary increases to the banded rates. This is a continuation of the pressure experienced in 2022/23 which led to an overspend. There are an average 2,390 service users with an average weekly rate of £1,017.
- 49. The main driver of the increases is where the Authority has agreed funding above the banded rates to ensure that the service is provided with a suitable care placement, known as Local Authority Agreed Funding (LAAF). The forecast cost of LAAFs in 2023/24 (based on current volumes and values of LAAFs) is £14.6m. This compares to the 2022/23 cost of £12.6m, and 2021/22 of £10.0m. The 2023/24 forecast is a 46% increase on the 2021/22 costs. This is a combination of both an increase in the volume and value of LAAFs. The volume of LAAFs has increased from 742 service users per week in 2021/22 to 951 in 2023/24. The value of LAAFs has increased from an average of £258 per service user per week in 2021/22 to £294 in 2023/24. The increase in LAAFs (both volume and value) is predominantly in the older adults area.
- 50. This overspend is offset by additional service user income of £1.5m which is mainly due to backdated arrears from working through a backlog of financial assessments. The Department is also investigating the allocation of the latest tranche of Market Sustainability and Improvement Fund to reduce this overspend by £3.7m.

Supported Living - £2.9m overspend.

51. The forecast assumes a projected increase of 40 service users over the course of the financial year from 470 to 510. The majority of the increase in service users are from those either transitioning from Children's Social Care, living at home with their parents, or moving from a Hospital/Residential setting into Supported Living. They represent new growth in numbers rather than a movement of existing service users from Residential Care, which was the primary driver under the Target Operating Model Programme. The Dynamic Purchasing System used by Supported Living commissioners is increasing the supply of additional Supported Living schemes, facilitating the increase in the number of placements that can be made. Average placement costs currently stand at £1,400 per week per service user.

Better Care Fund / Other NHS Income - £1.1m loss of income.

52. A total of £6m income was budgeted for from the NHS for additional costs relating to Covid-19 mainly due to hospital discharges. However, current indications are that there will be a £2.8m shortfall in this income for 2023/24. The overall position is offset by additional BCF income and new Discharge Grant of £1.7m.

Community Income - £1.3m additional income

53. The majority of the additional income is for home care packages for people with a temporary health condition (£0.8m). The numbers of people receiving this type of care increased during 2022/23 due to the removal of hospital discharge funding for home care mid-year. The rise in numbers funded seen at the end of 2022/23 have continued into 2023/24. There is also a continuing increase in the number of chargeable service users who are receiving other non-residential services and the average amount per service user is also increasing.

Other Areas

- 54. There has been a further allocation of the Market Sustainability and Improvement Fund (tranche 2) of £3.7m which is currently uncommitted and available for offsetting the overspend, potentially in Residential Care with the allocation still to be decided. (The £3.7m has been already included in the overall Departmental forecast overspend.)
- 55. These costs are offset by a net £1.9m underspend from staffing and other minor variations.
- 56. A robust demand management plan will continue to be in place during 2023/24 which will focus on managing demand particularly for homecare:
 - reviews of all service users' packages that have commenced or changed since April 2022
 - working with NHS partners to help improve the discharge pathway including reviewing funding arrangements
 - ensure financial and funding assessments are undertaken
 - reviewing internal processes.

Public Health

57. The Department is forecasting an underspend of £0.2m, mainly due to staffing vacancies in the Quit Ready, First Contact Plus, Programme Delivery and Teen Health teams. The underspend will be transferred to the Public Health earmarked reserve.

Environment and Transport

58. A net underspend of £0.7m (0.8%) is forecast.

- 59. Across Highways and Transport Operations a net £1.0m overspend is reported as a result of:
 - Social Care Transport / Passenger Fleet net overspend £1.0m. Increased costs following a rise in the number of commissioned journeys for Social Care Transport, additional vehicle hire and maintenance costs, net of underspends on Passenger Fleet due to vacant driver and escort posts.
 - Special Educational Needs (SEN) Transport £0.6m overspend. Delays in receipt of applications for SEN transport combined with the effects of a shrinking transport sector.
 - Mainstream School Transport £0.5m overspend. Delays in processing mainstream school transport applications, allocation of placements outside residential area and limited bus capacity.
 - Staffing vacancies net £0.7m underspend. On-going staffing vacancies caused by an inability to recruit to vacant posts across teams.
 - Additional fee income net £0.2m underspend. Increase in issues of Temporary Traffic Regulation Orders and network licenses/permits.
 - Concessionary travel £0.2m underspend. Lower than budgeted reimbursement.
- 60. There is a net underspend of £0.4m on Environment and Waste Management services. Additional income from the sale of dry recyclable materials and electrical items (£0.4m) and net underspends arising from the diversion of waste from Energy from Waste and Refused-derived fuel facilities into landfill (£0.1m). These offset the cost of legislative change to divert the disposal of upholstered domestic seating containing Persistent Organic Pollutants from landfill to incineration (£0.2m). The balance relates to underspends on delivery of Environmental policy and initiatives (£0.1m underspend).
- 61. At this stage, there are also forecast increased pressures on environmental and reactive maintenance works, totalling £0.5m. A compensating forecast savings target of £0.5m has been included to offset these additional costs, pending agreement of mitigating actions and approval of any resulting overspend by the Asset Programme Board.
- 62. The balance relates to vacancies across teams within Development and Growth (£0.4m underspend) and additional income from S38 and S278 fees relating to highway infrastructure (£0.9m underspend).

Chief Executive's

63. The Department is reporting a net underspend of £0.1m (0.5%). There are underspends mainly due to increased Registrar's income (£0.4m) and staffing vacancies (£0.1m), offset by additional costs of £0.4m relating to the Coroner's Service.

Corporate Resources

64. The Department is forecasting a net overspend of £0.6m (1.6%). There are continuing pressures on Commercialism budgets, projected as a £0.7m overspend, due to increases

in the national living wage and general inflationary pressures. The forecast position is after a one-off transfer of £2m from the MTFS Risks Contingency has been added to the School Meals service budget to mitigate the impact of the inflationary pressures arising from the difficult economic climate. Work is continuing to review pressures and to identify mitigating actions.

Central Contingencies

- 65. Growth contingency (£1m). At this stage the contingency is show as being released, to offset the overspends due to increased spending pressures in departments.
- 66. Fair Cost of Care / Adult Social Care Reforms (£4.6m). An element of £3.5m of this contingency is required to fund additional spending in Adults and Communities. The balance of £1.1m is shown as being released as an underspend reflecting the additional expenditure in the Department.
- 67. MTFS Risks Contingency (£10m). £2m of the contingency has been released to provide temporary support to the Commercial Services budget. At this stage no further release of the contingency has been assumed in the projection. However, it is planned to be required to offset the overall forecast revenue overspend.
- 68. Inflation Contingency (£21.9m balance). The contingency is currently projected to be exceeded by around £4m in the current year. The pay offers on the table for Local Government staff for the current year exceed the amount assumed in the contingency by around £1.6m (and given the fact that votes have been to reject the offer, this could end up being higher still). The position on a number of other key requirements, such as energy and other running cost inflation, should become clearer as the year progresses so at this stage there is considerable uncertainty in this estimate.

Central Items

- 69. The Financing of Capital budget is forecast to be £1.5m underspent due to a reduction in interest payments following the early repayment of £42m of external debt principal to the Public Works Loans Board over the period June to August 2023. Following market expectations of higher and for more sustained inflation in the UK, there has been an increase in the discounts/reduction in the premiums available for the premature repayment of debt. At the start of the year the Council was £54m overborrowed against the capital financing requirement (the level of historic capital expenditure required to be funded). The premature repayment rates will continue to be monitored for any further opportunities to repay existing debt early.
- 70. Bank and other interest is forecast to be £6.4m higher than budgeted due to increased investment income as a result of continued rises in the Bank of England base rate, and higher than estimated average Council balances. The base rate now stands at 5.25% with market forecasts for it to continue to increase, possibly to around 5.75% before starting to reduce. Average balances remain strong due to increases in reserves, slippage on the capital programme and government grants paid in advance.

- 71. Central expenditure budgets are currently forecast at a net underspend of £0.9m. This comprises a forecast £1m underspend on Prior Year Adjustments, due primarily to the cleansing of receipted aged purchase orders that are no longer required.
- 72. Additional business rates income, as set out below, is shown as being contributed to the Budget Equalisation Reserve, to be used to offset the anticipated gap in the MTFS projection in 2025/26.

Business Rates

- 73. Additional Business Rates income of £5.1m is forecast in 2023/24, based on the latest information from districts on their NNDR1 forms and forecast Section 31 grants. The MTFS adopted a prudent approach and did not allow for potential real terms growth or for the full impact of inflation in charges to businesses and S31 grants.
- 74. The latest projection of Leicester and Leicestershire Business Rates Pool shows levies for 2023/24, based on Quarter one forecasts to be a total of £18.3m, of which one third (£6.1m) will be allocated to the County Council under the revised treatment of levies reported to the Cabinet on 23 June 2023. In addition, there are amounts of £0.2m due as a third share of previous years' levies held by the LLEP and £0.2m relating to interest on 2020/21 and 2021/22 levies, giving an overall forecast of £6.5m.

Overall Revenue Summary

- 75. At this stage there is a forecast net overspend of £8.9m but given that the impact of inflation on the County Council budget is difficult to assess, this is uncertain. The position will be updated as more information is known during the financial year.
- 76. The 2023/24 outturn position is very concerning and despite actions to reduce expenditure a significant overspend for the financial year is the most likely outcome. The MTFS Risks contingency (£8m) will be the initial source of funding for the overspend. If this is not sufficient earmarked reserves will need to be diverted from their intended purpose to make up the shortfall. Any use of reserves to meet part of a 2023/24 overspend will have a consequence on the funding available to the County Council in future years, when pressures upon finances are expected to worsen significantly.

CAPITAL PROGRAMME – CAPITAL REVIEW

- 77. Over the summer the four-year capital programme has been reviewed and refreshed to reflect the latest estimates and profile of capital schemes, new capital grants and other funding changes.
- 78. The original MTFS 2023-27 capital programme totalled £510m. This was increased to £541m after adjustments from the 2022/23 outturn, mainly due to slippage on schemes.
- 79. Following the review over the summer the revised capital programme has increased to £570m. The increase of £29m in forecast expenditure is fully funded by additional capital grants, external contributions and revenue reserve contributions.

80. The revised 4-year programme is summarised below and is shown in detail in Appendix C.

Capital Programme Expenditure 2023-27	Original MTFS 2023-27 Programme	In year and Outturn adjustments (from 22/23)	Updated MTFS 2023-27 Programme	Revised MTFS 2023- 27 Programme	Revised Programme Change
	£000	£000	£000	£000	£000
Children & Family					
Services	104,205	14,888	119,093	128,163	9,070
Adults and					
Communities	21,243	314	21,557	21,557	0
Environment &					
Transport	256,100	8,097	264,197	283,570	19,373
Chief Executive's	200	30	230	230	0
Corporate Resources	9,652	2,392	12,044	12,223	179
Corporate Programme	118,281	5,738	124,019	124,054	35
Total	509,681	31,459	541,140	569,797	28,657

Capital Programme Funding 2023-27					
Grant Funding/ Specific Contributions	269,665	2,904	272,569	291,036	18,467
Discretionary Funding – capital receipts/ Revenue/ Reserves	116,216	28,555	144,771	156,250	11,479
Discretionary Funding – borrowing required	123,800	0	123,800	122,511	(1,289)
Total	509,681	31,459	541,140	569,797	28,657

- 81. Overall, the net funding required for the programme has decreased by £1.3m following the review of the capital programme. This has the impact of reducing the overall amount of borrowing required to fund the capital programme to £122.5m (from £123.8m) in the original approved 2023-27 MTFS. An additional contribution of £1.3m has been able to be added to the overall capital programme following a review of earmarked reserve balances.
- 82. The key changes from the capital review are described below.

Children and Families

- 83. The overall programme has increased by £9m due to the following changes:
 - Additional DfE 2025/26 Basic Need grant £17m. The additional funding has been added to the provision of additional school places capital programme.

 Removal of a new project to build a new social, emotional and mental health (SEMH) special (free) school. This was to be funded by a DfE capital grant of £8m. This project is now being commissioned and managed directly by the DfE and therefore the capital expenditure and equivalent funding has been removed from the County Council's capital programme.

Adults and Communities

84. Minor reprofiling of spend but no other significant changes.

Environment and Transport

- 85. The revised capital programme has increased by £19.4m, which is entirely funded from additional capital grants and discretionary funding.
- 86. The main changes are:
 - Zouch Bridge increase of £7.5m, funded from the Council's share of the Business Rates Pool levies, approved by the Cabinet in June 2023.
 - A511/A50 Major Road Network £3.8m funded from Department for Transport capital grant.
 - Transport Asset Management (maintenance) schemes increased by £7.5m, funded by £3.2m additional DfT pothole grant funding, £3m set aside for capital maintenance from the 2022/23 revenue outturn, and Section 106 contributions.

Chief Executive's

87. No significant changes.

Corporate Resources

88. The overall programme has increased by £0.2m due to new grant funding from the Salix low carbon skills fund. The additional funding has been included in the Energy Initiatives capital scheme allocation.

<u>Corporate</u>

89. No significant overall changes. Some schemes within the Investing in Leicestershire Programme (IIi) have been reprofiled resulting in £13m being moved from 2023/24 to 2024/25. The main area is the Quorn Solar Farm project due to revised timescales following the identification of a relevant framework. Additional time to complete legal review of framework documentation and time to prepare tender documentation was also needed.

Capital Receipts

90. There is no change in the estimate for capital receipts.

Capital Summary

- 91. The review of the capital programme has resulted in updates to the capital programme for the latest known funding available and latest estimates of profiled spend. The revised four-year capital programme totals £570m.
- 92. The overall capital programme has increased by £29m, entirely funded by additional resources from capital grants, Section 106 contributions and reserve contributions. In addition £1.3m has also been added to the overall programme funding which has reduced the overall borrowing required to fund the capital programme from £123.8m to £122.5m.

Investing in Leicestershire Programme – 2023/24 Quarter 1 Monitoring

Asset Class	Opening Capital Value	Capital Incurred / (Returned) 2023/24	Net Income YTD	Forecast Net Income FY	In year forecast net income return %	Since Inception IRR / Target
	£000	£000	£000	£000	%	%
Development	46,187	0	(35)	(136)	(0.3%)	n/a
Rural	24,212	0	(65)	452	1.9%	n/a
	21,212		(00)	102	110 / 0	n/a
Office	53,103	0	643	3,047	5.7%	
Industrial	29,514	0	504	1,424	4.8%	
Distribution	454	0	6	9	2.0%	
Other	4,588	0	33	226	4.9%	
Central costs – additional sinking fund	0	0	0	(262)	0	
Directly Held Properties	87,658	0	1,186	4,444	5.0%	n/a
Pooled Property (three open ended and one closed ended fund)	22,471	0	225	759	3.4%	2.3%
Private Debt MAC 4 2017	8,739	(1,247)	659	659	7.5%	4.7%
Private Debt MAC 6 2021	19,969	(371)	459	459	2.3%	4.8%
Pooled Infrastructure Fund	8,693	0	0	338	3.9%	6%
Pooled Bank Risk Share	15,541	0	0	635	4.0%	8.5%
Indirect Holdings	75,413	(1,618)	1,343	2,850	1.8%	
Total (All liLP)	233,469	(1,618)	2,429	7,610	3.3%	
Total excl. development and rural	163,071	(1,618)	2,530	7,294	4.5%	

93. A summary of the position as at Quarter 1 for 2023/24 is set out below:

94. Overall the fund is forecast to achieve a 3.3% net income return for 2023/24. The forecast net income of £7.6m is in line with the budget.

- 95. The rural asset class shows a small deficit for quarter one due to the front loading of certain payments and one-off payments. However, the full year budget of £0.5m is still forecast to be achieved.
- 96. The indirect holdings are made with the purpose of reducing overall portfolio risk by investing in differing asset classes and geographies. The aim is to provide diversified income from a variety of differing sources. During 2022/23 two new investments were made totalling £23.7m, comprising £15m to a bank risk sharing investment and £8.7m into a pooled infrastructure fund.
- 97. The valuations for the indirect holdings include the four pooled property funds which in 2022/23 fell in aggregate by £5.5m in the year. The position for Quarter one 2023/24 shows a decrease in net asset value (NAV) of £0.2m, or -0.7%. Property valuations are sensitive to interest rate expectations with an increase in peak UK rates and or increase in duration before rates reduce to have a negative impact on valuations, all other things being equal. The reduction in valuation of the pooled property funds is due to the repricing of property assets versus the risk free UK bank base rate increases since mid-2022. Income from the underlying holdings is still considerable and is expected to in line with the budget of £0.8m.
- 98. Private debt income was lower than budgeted by £0.5m in 2022/23 due to the manager holding higher than normal cash levels whilst the volatility in exchange rates persisted during the second half of 2022/23. The exchange rates have since normalized; the manager has distributed £1.1m in quarter one alone. This level of income is not envisaged to continue through the year, some of which was a catch up from last year. A revised cashflow forecast is awaited from the investment manager.
- 99. Income from the bank risk share investment should commence quarterly later this financial year and the liLP should receive two payments. Income is expected to be at least in line with the budget.
- 100. It should be noted that the above table excludes in-year capital growth which is assessed annually as part of the asset revaluation exercise and reported in the annual IiLP performance report.

MTFS REFRESH 2024-2028

National Position

- 101. As noted above, at the Monetary Policy Committee meeting in August, the Bank of England raised interest rates by 0.25% to 5.25%, the fourteenth time in a row that the rates have been increased. The increases are an attempt to help to lower the levels of inflation. Further increases are expected in the coming months with interest rates expected to peak at 5.75% in spring 2024 before falling to 4% over the next five years.
- 102. CPI inflation is now expected to fall from 6.8% in July to around 5% by the end of 2023. Furthermore, it is forecast that it will remain in excess of the 2% target through 2024 before falling back in line in early 2025. As income is not expected to increase at this rate

these forecasts suggest an increasing squeeze on resources throughout 2023 and 2024. As inflation is expected to fall back to the Bank of England's target, rather than go negative, the consequence is that there will be a permanent reduction in the level of services the Council is able to deliver.

- 103. UK GDP growth is expected grow by around 0.3% in 2023 and 0.7% in 2024, although some forecasters predict declines of -0.4% in 2023 and -0.2% in 2024.
- 104. Rising wages and continued relatively low unemployment levels will to some extent boost tax revenues although the increase in interest rates will increase the costs of servicing the national debt.
- 105. However, the UK unemployment rate has increased in the latest quarter, with the largest quarterly increase since August to October 2021. The unemployment rate was estimated at 4.2%, 0.3% higher than the previous quarter and 0.2% above pre Covid-19 levels. The unemployment rate had generally been falling from late 2013 until the start of the pandemic. Thereafter it increased until the end of 2020 but had returned to prepandemic rates. Unemployment rates by region show the East Midlands to be at 3.7%, relatively lower than the national average of 4.2%.
- 106. It is possible that the country will experience a significant recession, driven by inflation. A recession would normally reduce inflation, but the UK is forecast to move into stagflation where the economy is squeezed by slow growth, high unemployment, and rising prices. The fall in GDP resulting from a recession would have a direct impact upon tax revenue, both locally and nationally. It would not just reduce income, but service demand increases as inflation impacts the most vulnerable.
- 107. There are growing numbers of local authorities that are reporting significant overspends in the current year, with some implementing spending controls and warning of the prospect of having to issue a Section 114 notice, often viewed as effectively declaring the particular Council to be bankrupt. Some recent examples of Councils encountering financial difficulties include:
 - Guildford Borough Council needs to finance debts of £300m and has issued financial controls and is seeking further external support and advice, and will reconsider if it needs to issue a Section 114 notice in October;
 - Kent County Council had a significant £47m overspend last year and faces a £44m overspend this year, both mainly relating to children's and adults social care services and is undertaking a consultation on how it can manage spending within the finance available, or its budget will "become unsustainable".
 - Hampshire County Council had to offset a £51m budget gap in 2022/23 with funding from its budget bridging reserve and faces a £132m gap in its budget for 2025/26. The leader of the opposition attributed the financial situation to the "underfunding of social care services from central government over many years".
 - Warwickshire County Council faces "highly volatile" financial circumstances and "difficult choices" on how it will fund its capital expenditure and services.
 - Middlesborough Council has projected a £12m overspend this year and is taking "stringent" action to cut costs and to avoid a Section 114 notice. The overspend is

due to inflation and increasing demand for children's and adult social care and homelessness services.

108. Rob Whiteman, CEO at CIPFA, wrote in a Municipal Journal article on 31 July that:

"My judgement is that we may see more s114s from commercialism and excessive borrowing that were in the pipeline before the rules tightened. But generally, new local proposals with excessive risks that breach prudential guidance appear to have ceased, for now. Also, we may see particular technical issues or liabilities such as the HRA or single status give rise to specific potential s114 cases.

More likely, however, if we see more councils in close proximity to issuing a s114 it will be owing to difficulty covering significant pressures, such as adult and children's social care. These may be more like Northamptonshire where over-optimism and poor governance causes them to lose control of their finances and need external help. To avoid this, the first step to recovery is recognising that change is needed. I'm afraid I see some councils that could avoid failure but are still not taking that critical first step. That said, sooner or later we will reach a point when a well managed authority, whose costs benchmark well and resources are managed effectively, hits the buffers through a lack of funding to meet service demands."

- 109. Andrew Burns, associate director at CIPFA, was also quoted in a Public Finance article on 17 August, saying "We are starting to see councils who traditionally have been well run and well led, starting to report that they are under financial pressure from service demand and the cost of living. We are probably nearer a section 114 notice being served in a council that has traditionally been well led and well managed than we have been for a while."
- 110. The Local Government Association chair, Cllr. Shaun Davies, has warned that "Inflation, the National Living Wage, energy costs and increasing demand for services are adding billions of extra costs just to keep services standing still."
- 111. County Councils Network chair Cllr. Tim Oliver has said that high inflation and rising demand have left its member authorities "facing some of their toughest budgetary decisions to date. County authorities will do all they can this year to deliver savings while protecting vital frontline services, particularly care services, but there is now little fat to cut after a decade of financial restraint, and many councils are facing significant in-year overspends as a result."
- 112. The Government's stance is that there is no more funding and that the current framework of the Local Government Settlement will remain in place until the next parliament.

Leicestershire Position

113. The MTFS will be refreshed over the autumn, with a similar approach taken to that followed in previous years, namely continued investment in organisational change, planning and robust delivery of savings and a realistic allowance for growth. However, as with last year's MTFS, this will be done with greater urgency in the context of the serious

financial position the County Council is facing, with a significant funding gap in 2024/25 (usually at this stage the following year's financial position would be balanced). There is also a great deal of uncertainty around the likely ongoing impact of inflation and the impact of other service reforms (in particular Adult Social Care) as well as the Council's core income levels.

114. Also, as well as the impact of inflation there are a number of other risks and challenges that will feed into the financial position.

Pay award

115. An offer has been made on the national employers' side of a pay award which is a fixed increase of £1,925 up to Grade 13 (equating to a range from 9.5% to 3.94%), 3.88% for Grades 14 to 17 and 3.5% for Grades 18 and above. At this stage it is unclear whether this will be accepted. The overall impact on the pay bill is estimated at around 6.2%. This will add an additional cost of £1.6m for 2023/24 over and above what was budgeted for, which will continue through the life of the MTFS. It is estimated that the assumptions included regarding pay increases in 2024/25 may need to be increased by a further £2.5m as a consequence. Any increases in subsequent years over and above the 3% provided for will add further to the gap. In simple terms, each extra 1% would add around £2m to the Council's bottom line. So, for example, if each of those later years in the MTFS saw a pay award of 5%, the gap by 2027/28 would be £17m higher.

National Living Wage

116. The National Living Wage (NLW) interacts with the impact of the pay award for internal staff. But there are additional costs associated with commissioned services, especially in Adult Social Care. Each 50p increase on the rate adds approximately £10m to the Council's bottom line. The provision made within the corporate inflation contingency for the increased costs in 2023/24 has proved to be adequate and significant provision was made for the 2024/25 to 2026/27 period, but there is a risk that those amounts could prove to be insufficient. The position will be reviewed as part of the preparation of the 2024-28 MTFS. An announcement of the NLW for the next financial year is usually made alongside the Autumn Budget. The Government takes into consideration the recommendations of the Low Pay Commission, which is anticipating that the NLW from April 2024 will be between £10.90 and £11.43, with a central estimate of £11.16, compared with the April 2023 figure of £10.42.

Running costs

117. The current MTFS allowed for running cost inflation of 9% for 2023/24, 6% for 2024/25, and falling back to 3% after that. The inflation assumptions reflect the impact of time lags, so the 9% used for 2023/24 reflects the relatively high inflation levels experienced in 2022/23. At present the assumption for 2023/24 is anticipated to be generally adequate but there are a number of significant inflation items which are still to be resolved over the coming months, and any amounts in excess of the provision made in the current MTFS will impact on the position for the new 2024-28 MTFS.

Adult Social Care Reform

118. The current MTFS included significant provision for the potential impact of ASC Reform. As part of the Autumn Statement in November 2022, the Government announced that the reforms will be delayed by two years to October 2025. If the Government does not start preparations very soon this revised date will not be possible to achieve. The new MTFS will need to reflect any additional information that is released by the Government and there is a risk that the current assumptions may prove to be inadequate.

Special Education Needs and Disabilities

119. The underfunding of Special Education Needs and Disabilities (SEND) has caused a significant financial problem for the County Council for a number of years. At the time the budget was set, the cumulative deficit between SEND costs and High Needs funding was expected to reach £53m by the end of the current financial year and grow to £91m by the end of the MTFS. Predictions going forwards are uncertain but the latest forecast shows a relatively improved position, with forecast deficits of £49m at the end of 2023/24, rising to £82m by the end of 2026/27. There seems little prospect of support from Government to help alleviate this position. The DfE seems to be hardening its position with on-going overspends seen as local government's problem.

Services Demand

120. The existing pressures within the MTFS are continuing; this could require increases in growth and adverse in-year budget variations for Adult's and Children's social care services. When the MTFS is refreshed and extended for a year, 2027/28 in this case, the new year adds between £25m and £30m to the financial deficit. With higher inflation in the intervening 4-years it is likely that the deficit increase will be closer to £30m.

Mitigations

121. There are also a number of factors that could potentially help mitigate the financial risks:

Main element (core) Council Tax	Permitted increase without referendum is increased from 1.99%. Higher inflation would usually create expectations of a higher cap, as happened in the 2023/24 Settlement - a 1% increase to 2.99% was allowed. Will be confirmed as part of the 2024/25 Settlement due in December. A 1% increase in council tax precept would generate c.£3.7m for each year permitted.
Adult Social Care Precept	Precept permitted to continue. A 2% increase was allowed for 2023/24 and the precept was included for 2024/25 in the last spending review, but it has not been formally confirmed by the Secretary of State and it was therefore excluded in the current MTFS for 2024/25 and later years.
Council Tax Collection funds net surplus	2024/25 currently includes a net nil forecast. Latest forecasts show that a net surplus of £1m from 23/24 will be available.

Business rate reset	Provision of £7m built in against the Government resetting the business rates baselines in 25/26, in line with policy. Every year this gets delayed provides an additional £7m one off funding. (Figure will be reviewed in new MTFS and likely to increase due to higher than anticipated growth in business rates.)
Fair Funding Review	The review implementation date has been postponed several times and has been delayed until after the General Election. The shift in Government priorities has lowered the County Council's expectations even if a review does progress. The County Council formed the F20 Group that promoted a temporary solution for the worst funded councils, expectations of progress are similarly low.
Business Rates Pool surpluses	County Council share of Pool surplus 22/23 estimated at £5.8m (one-off) – decision on use to be reviewed in new MTFS.
Additional interest on cash balances	Upward movement on interest rates leads to greater returns on treasury management activity
Adult Social Care Grants	The Government indicated that more funding for ASC would be provided in 2024/25.

- 122. The implications of the various issues described above will be assessed based on the latest emerging information over the coming months and fed into the December Cabinet report. However, in short the financial position is dire and an initial estimate of the challenge is that the current MTFS projected gap of £88m will rise above £100m. Whilst this forecast will undoubtedly change, the scale of the challenge is highly unlikely to diminish to the point that the County Council would not need to take significant corrective action.
- 123. Facing a 2024/25 MTFS gap of £13m, which assumes currently programmed savings of £17m will be delivered, so close to the budget being set is concerning. Even this challenge pales into insignificance compared to the prospect of a gap exceeding £100m in 4-years' time.
- 124. To balance the budget the use of reserves or other short-term measures will undoubtedly be adopted by some authorities. Whilst this can deal with short term problems of a one-off nature it does not solve the structural imbalance between income and expenditure that inflation is causing. It is vital that all resources are targeted at solving the problem rather than just delaying tackling it. Options would also need to include a review of the capital programme to cut back on activity in order to release reserves.
- 125. It is important that the savings that are already under consideration are progressed and delivered on as soon as possible. Furthermore, there will be a need to add in significantly more savings as part of the MTFS refresh in the autumn.
- 126. However, this will be insufficient to address the financial challenges ahead.

- 127. In order to identify further areas where savings can be made Departments are being asked to present options for how they could reduce their budgets. Focussing on options around cheaper provision, increased efficiency, increased income and reduced demand. However, this will be far from easy given the savings already being targeted and the significant savings delivered in previous years.
- 128. Crucial in progressing this is the need to push on crystalising the Savings under Development. The latest position on these is included in Appendix D.
- 129. Additional savings and reductions in growth will be brought forward for inclusion in the December Cabinet report. Growth will be subject to significant scrutiny to ensure future projections are robust. Additional growth will only be included for unavoidable demand driven pressures. Growth for service improvements is clearly unaffordable and so will not be included.
- 130. With respect to capital schemes and projects, there is no room for additional schemes to be added unless they are invest to save, relate to end of life of assets needed for essential service delivery, or are fully funded from external sources.
- 131. The capital funding gap totals £123m. With interest rates now having increased significantly the annual costs to fund the borrowing will increase and hence the funding gap needs to be reduced.
- 132. Core service capital schemes (such as Highways Maintenance and Schools) will be restricted to the annual capital grant allocations and banked developer funding only. Services such as ICT and Property will need to be focussed on maintaining service delivery rather than enhancing it. In some cases where it is possible, it will be necessary to mothball schemes until they can be delivered after inflationary or acute current cost pressures subside.
- 133. Whilst there will be a strong focus on identifying and driving out further efficiencies, the reality is that after £250m worth of savings have been made over the last 13 years there is limited scope. As such this work will also need to involve looking at service reductions across all service areas. Any non-statutory services, or those where service levels are above statutory minimum levels, will need to be considered for reduction or for being stopped following appropriate consultation being undertaken.
- 134. Many Councils are increasingly putting control measures in place to address overspends. The control measures would be adapted to reflect the severity of the financial position and cover:
 - Targeted recruitment controls to restrict non-essential hiring including a focus on agency, consultants and specialist advisors.
 - Procurement controls to ensure greater commissioning support unit input into contract renewal/extension, use of frameworks and exceptions.
 - Greater scrutiny of external expenditure.
 - Limited approval of new projects to essential schemes only.

- Controls on grants to ensure that wherever possible they are used to cover existing spend pressures rather than for new service initiatives.
- Restriction of budget inflationary increases where service levels can be amended.
- 135. The County Council introduced similar controls during the Covid-19 pandemic. These controls do not replace the financial responsibilities that officers have in their roles. For the spend controls to be successful, continued ownership by everyone who has a part in spending or generating income is vital. The forecast 2023/24 overspend at Period 4 of £8.9m raises the prospect that spend controls could be required until the MTFS gap and delivery risk are at an acceptable level.
- 136. It should be noted that spending controls do not mean service cuts, although it should influence how services are delivered. Future savings will not be prioritised based on where spend was reduced through the controls and managers will need to consider the potential to make permanent changes to their services.
- 137. If progress towards resolving the medium-term financial gap is limited, and there is not enough confidence in delivering existing and newly identified savings and managing demand growth in the coming months, spend controls providing greater levels of scrutiny on individual budgetary decisions, will need to be put in place.

Planning Framework

- 138. The key Government announcements in the coming months will be;
 - The Autumn Budget Statement anticipated in November.
 - The Provisional Local Government Finance Settlement, expected mid/late December.

139. The broad MTFS timetable is:

- September to November 2023 refresh growth, savings and capital including consideration by Lead Members.
- Autumn National Budget and National Living Wage announcements
- December 2023 the Cabinet will be asked to approve the draft MTFS for consultation.
- December 2023 receipt of the Provisional Local Government Finance Settlement
- January 2024 consultation on the draft MTFS, including Overview and Scrutiny Committees and the Scrutiny Commission.
- February 2024 the Cabinet will be asked to approve the final draft MTFS for submission to the County Council.
- February 2024 County Council is requested to approve the MTFS for 2024/25 to 2027/28.

Legal Implications and Consultation

<u>General</u>

- 140. The Council is required to set a balanced budget each year following the processes set out in the Local Government Finance Act 1992. The Director of Corporate Resources as the Council's Section 151 Officer has a number of duties relating the Council's financial administration and resilience including to report on the robustness of the Council's budget estimates and the adequacy of its reserves¹. There is a further duty to issue a formal report if the S151 Officer believes that the Council is unable to set or maintain a balanced budget².
- 141. The Council is further charged with a duty to secure best value³ by making 'arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness". This duty is supplemented by statutory guidance to which the Council must have regard.

Constitution

142. The Council's Budget and Policy Framework Procedure Rules are contained within Part 4 C of the Constitution. The decision with regard to the setting of the Council's budget is a function which is the responsibility of the full Council and once the budget is in place it is a matter for the Cabinet to implement it. Any significant change to the budget once set is reserved to the Council unless the decision required is a matter of urgency under Rule 6. None of the recommendations in the report amount to a significant change to the budget set by Council in February 2023.

Equality Implications

- 143. Public authorities are required by law to have due regard to the need to:
 - Eliminate unlawful discrimination, harassment and victimisation;
 - Advance equality of opportunity between people who share protected characteristics and those who do not; and
 - Foster good relations between people who share protected characteristics and those who do not.
- 144. Many aspects of the County Council's MTFS may affect service users who have a protected characteristic (age; disability; gender re-assignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex and sexual orientation). under the Equality Act 2010. An assessment of the impact of the proposals on the protected groups must be undertaken at a formative stage prior to any final decisions being made. Such assessments will be undertaken in light of the potential impact of proposals and the timing of any proposed changes. Those assessments will be revised

¹ S25 Local Government Act 2003

² S114 Local Government Finance Act 1988

³ S3 Local Government Act 1999

as the proposals are developed to ensure that decision-makers have information to understand the effect of any service change, policy or practice on people who have a protected characteristic.

Human Rights Implications

145. There are no implications arising from the recommendations in this report. If aspects of the MTFS proposals relating to policy or service changes are likely to result in human rights implications then these will be considered at a formative stage in the development of those proposals and the Council will be required to demonstrate that it has paid due regard to these in its decision-making.

Crime and Disorder Implications

146. Some aspects of the County Council's MTFS are directed towards providing services which will support the reduction of crime and disorder.

Environmental Implications

147. The MTFS includes schemes to support the Council's response to climate change and to make environmental improvements. There is the potential for aspects of the MTFS and the challenges set out in this paper to affect the County Council's response to climate change and environment improvements. An assessment of the impact of proposals will be undertaken prior to any final decisions being made.

Partnership Working and Associated Issues

148. As part of the efficiency programme and changes to services, working with partners and service users will be considered along with any impact issues, and they will be consulted on any proposals which affect them.

Risk Assessments

149. As this report states, risks and uncertainties surrounding the financial outlook are significant. The risks are included in the Corporate Risk Register which is regularly updated and reported to the Corporate Governance Committee.

Background Papers

Report to the Cabinet – 26 May 2023– 2022/23 Provisional Revenue and Capital Outturn <u>https://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=7076&Ver=4</u>

Report to County Council -22 February 2023 – Medium Term Financial Strategy 2023/24 to 2026/27

https://politics.leics.gov.uk/ieListDocuments.aspx?CId=134&MId=6913&Ver=4

Appendices

Appendix A: Revenue Position as at Period 4, 2023/24Appendix B: Revenue budget major variancesAppendix C: Revised Capital Programme 2023-27Appendix D: Savings Under Development

APPENDIX A

REVENUE BUDGET MONITORING STATEMENT 2023/24 (AS AT PERIOD 4)

	Updated Budget	Projected Outturn	Differen from Upda	ated
	£000	£000	Budge £000	%
<u>Schools Budget</u> Schools Early Years	98,038 39,283	97,548 37,683	-490 -1,600	-0.5 -4.1
DSG Funding	-137,321	-137,321	000	0.0
-	0	-2,090	-2,090	
Earmarked reserve - start of year Earmarked reserve - end of year		_	-5,374 -7,464	
High Needs Dedicated Schools Grant (DSG)	103,482 -103,482	117,452 -103,482	13,970 0	13.5 0.0
	0	13,970	13,970	
Earmarked reserve - start of year Earmarked reserve - end of year		_	35,534 49,504	
LA Budget				
Children & Family Services (Other)	103,362	111,242	7,880	7.6
Adults & Communities Public Health *	202,455 -1,806	210,265 -1,806	7,810 0	3.9 0.0
Environment & Transport	93,766	93,056	-710	-0.8
Chief Executives	15,430	15,350	-80	-0.5
Corporate Resources	38,815	39,445	630	1.6
DSG (Central Dept. recharges)	-2,285	-2,285	0	0.0
Growth Contingency	1,000	0	-1,000	-100.0
Service Reduction Contingency Fair Cost of Care / Adult Social Care Reforms	95 4,600	95 3,500	0 -1,100	0.0 -23.9
MTFS risks contingency	8,000	8,000	0	0.0
Contingency for Inflation/Living Wage	21,865	25,865	4,000	18.3
Total Services	485,297	502,727	17,430	3.6
Central Items				
Financing of capital	19,500	18,000	-1,500	-7.7
Revenue funding of capital	7,020	7,020	0	0.0
Bank & other interest	-13,600	-20,000	-6,400	47.1
Central expenditure Total Central Items	2,536 15,456	<u>1,636</u> 6,656	-900 -8,800	-35.5 -56.9
Contribution to budget equalisation earmarked reserve Contribution to General Fund	10,400 1,000	22,200 1,000	11,800 0	113.5 0.0
Total Spending	512,152	532,582	20,430	4.0
	,			
<u>Funding</u> Revenue Support Grant (new burdens)	-27	-27	0	0.0
Business Rates - Top Up	-40,527	-40,527	0	0.0
Business Rates Baseline / retained	-27,997	-29,527	-1,530	5.5
S31 Grants - Business Rates	-12,090	-15,610	-3,520	29.1
Allocation of Business Rates Pool Levies	0	-6,450	-6,450	n/a
Council Tax Precept	-374,208 -1,687	-374,208	0	0.0
Council Tax Collection Funds - net suplus New Homes Bonus Grant	-1,867	-1,687 -1,257	0 0	0.0 0.0
Improved Better Care Fund Grant etc.	-14,190	-14,190	0	0.0
Social Care Grant	-32,012	-32,012	0	0.0
Services Grant	-2,504	-2,504	0	0.0
ASC Market Sustainability & Improvement Fund (tranche 1)	-5,653	-5,653	0	0.0
Total Funding	-512,152	-523,652	-11,500	2.2
Net Total	0	8,930	8,930	

* Public Health funded by Grant (£26.2m)

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Revenue Budget 2023/24 - forecast main variances (Period 4)

Children and Family Services

Dedicated Schools Grant

A net overspend of £11.9m is forecast. The main variances are:

	£000	% of Budget
DSG High Needs Block (HNB) earmarked reserve drawdown	13,330	n/a
The DSG budget in the original MTFS includes an estimated HNB drawdown of £13.3m as the f overspend.	orecast in y	ear
Special Educational Needs	595	1%
The SEND Capital Programme is developing new resource bases with the aim of reducing the r expensive independent sector places. The increase in demand however has resulted in these p with new demand as opposed to having the desired impact on existing numbers. Additional Early Years specialist places have been identified as required from September 2023. budgeted for and have resulted in an overspend in the Special School budget. Meanwhile a significant number of places in the C&I (Communication & Interaction) units and S Emotional and Mental Health needs) units created over the last few years still remain empty - th reports a £800k underspend against budget. Students continue to be placed in Independent Specialist Provisions (ISP). This has resulted in ISP budget. Decisions to agree placements in increasingly expensive ISPs whilst our own bases are undero substantial impact on the deficit position.	laces being These wei EMH (Socia is particular an oversper	re not I, area nd in the
Specialist Teaching Service (STS)	245	10%
The STS Service is a fully HNB funded service, with a fixed budget envelope, and does not recercise response to pay awards. It also has a built-in annual savings target which is usually achieved the vacancy savings. As yet, these potential savings are yet to be fully identified.		
Early Years / Nursery Education Funding	-1,600	-4%
The budget is based on the number of hours used to calculate the original 2023-24 Early Years	DOO in a ser	
December 2022. The 2023-24 Early Years DSG income was increased in July 2023 by £1.7m to Spring Term 2023 census (this includes a prior year adjustment of £600k relating to 2022-23). T planned underspend of £0.9m as part of the payback of previous years' Early Years deficits. Th paid to Providers for 2023-24 are £1.2m more than the budget.	o allow for th here is also	ne a
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Local Authority Budget

The Local authority budget is forecast to overspend by £7.9m (7.6%). The main variances are:

	£000	% of Budget
Children's Social Care Placements	5,460	11%
The overall LAC numbers for Leicestershire for financial year 2023/24 look relatively stable in lin However, in terms of the placement mix - whilst the most costly provision types such external re slightly in numbers but in line with budgeted position, the average unit costs have increased sig budgeted unit cost. For example – currently average social care external residential cost is circa (20% increase on budgeted unit cost). The combination of complexity of need makes these child people 'unattractive' to the market (need includes violence, aggression as result of experiencing in the use of high cost (£10k+/week/child) interim provisions until behaviour stabilises or anothe found. Other sufficiency issues impacting on budget position include: •Eack of step-down from residential placements (10 children who have been waiting long period placements), with continued searches and work with providers to try to identify homes •Slow recruitment pipeline for mainstream carers, nationally. Particularly impacting on availabilit older children and those with more complex needs.	esidential ir gnificantly vs a £5,750 pe dren and yc g trauma) ar r placemen s for family.	r week ung nd results t can be
Unaccompanied Asylum Seeking Children (UASC)	1,920	117%
needs. The different entry routes include both the National Transfer scheme, as well as spontar more recently through the hotel dispersal scheme where requests to accommodate people place. Dispersal Hotels in Leicestershire are made. And whilst they have been deemed adults by the H subsequently claim to be children, which creates an additional pressure for the service to manage funded. In addition, delays in asylum claim processes mean that we are often accommodating y past 18 and the Home Office funding drops significantly at 18 but the costs do not.	ed in Asylur Iome Office ge which is	n , not fully
SEN Service Budget	1,140	64%
Increased service demand and complexity has resulted in need for additional service resource t can be managed in the most efficient and effective manner. A heavy reliance on agency worke	ers to under	
writing and tribunal work has resulted in a significant forecast overspend in this area. A second post has been created to help deliver whole-system change within SEN. Meanwhile mediation adding to the forecast overspend.		anager
post has been created to help deliver whole-system change within SEN. Meanwhile mediation		anager
post has been created to help deliver whole-system change within SEN. Meanwhile mediation adding to the forecast overspend.	costs remai -640 nagement te cies within t nd budget vriate. Furth	nager n high, n/a am have he er work

Adults & Communities

The Department has a net forecast overspend of £7.8m (3.9%). The main variances are:

	£000	% of Budget
Homecare	7,320	19%

The current weekly homecare payments are estimated to be £880k per week. The forecast provides for an average of 2,700 service users (SU) for the year, this is 6% higher than the budgeted number of 2,540. Current average package costs (or hours) are also 6% higher than budgeted (excluding the fee uplift of 8.4%) at £332 per SU per week compared to the budgeted value of £313. The increase is from: admission into residential care and increased provision within the service user's own home. b) lower numbers of service users are opting to take a Direct Cash Payment. The department has established a wide ranging demand management project and this is currently prioritising an

analysis of home care data to establish whether any internal changes in practice have led to the higher spend and to what extent this has been as a result of external influences. The project is also reviewing existing savings activity to ensure these are on track to meet the MTFS targets.

Residential Care and Nursing	3,380	4%
The projected overspend is mainly due to increases in the average weekly cost per residential p		
above the planned inflationary increases to the banded rates. This is a continuation of the press		
2022/23 which led to an overspend. There are an average 2,390 service users with an average \pm 1,017.	The main driv	
the increases are where the authority has agreed funding above the banded rates to ensure that		
provided with a suitable care placement (known as Local Authority Agreed Funding-LAAF). The		
LAAFs in 2023/24 (based on current volumes and values of LAAFs) is £14.6m. This compares		
of LAAFs of £12.6m, and the 2021/22 cost of LAAFs of £10.0m. The forecast 2023/24 cost is a		
2021/22 costs. This increase in the costs of LAAFs is a combination of both an increase in the v		
LAAFs. The volume of LAAFs has increased from 742 service users per week having a LAAF in		
2023/24. The value of LAAFs has increased from an average of £258 per service user per weel		to £294
in 2023/24. The increase in LAAFs (both volume and value) is predominantly in the older adults This overspend is offset by additional service user income of £1.48m which is mainly due back		from
working through a backlog of financial assessments. The department is also investigating the a		
tranche of Market Sustainability and Improvement Fund to reduce this overspend by £3.6m.		
Supported Living Commissioned Services	2,885	8%
The forecast assumes a projected increase of 40 service users over the course of the financial	-	
510. Last year the increase was larger at around 51 service users. The majority of the increase	•	
from those service users either transitioning from Children's Social Care, living at home with the		
from a Hospital/Residential setting into Supported Living. They represent new growth in number	•	-
movement of existing service users from Residential Care, which was the primary driver under		
Programme. The Dynamic Purchasing System used by Supported Living commissioners is incr		
additional Supported Living schemes facilitating the increase in the number of placements that	can be made	•
Average placement costs currently stand at £1,400 per week per service user.		
Better Care Fund (Balance) / Other NHS Income	1,130	4%
A shortfall in Discharge to Assess (D2A) recharge income of £2.8m. Offset by additional BCF a	nd Discharge	Grant
income of £1.7m.		
Community Life Choices (CLC) Commissioned Services	635	9%
Overspend with the transition of service users from inhouse CLC services to the independent se		
overspend should be viewed alongside the underspend within CLC/Day Services within Direct S		
bases are closed and staff action plans are conducted. A virement will take place for 2024/25 to budget. The forecast includes the assumption of the remaining bases closing and the transfer of		
service users to the independent sector.		ng
	500	
Other Support Other social care support includes £150k for kennel costs and £330k for floating support contra	500	n/a
Other social care support includes £150k for kennel costs and £350k for hoaling support contra	ct for mental	nealth.
Care Pathway - Mental health and Safeguarding	260	4%
Overspend predominantly caused by the Liberty Protection Safeguards and the contracted out I	1	
Assessor and Paid Person Representative spend, even after a £350k contribution from reserve	Best Interest	
Assessor and Paid Person Representative spend, even after a £350k contribution nom reserve		
sustainable funding position is required for this service, as reserve funding has been used for m	s. A more	
sustainable funding position is required for this service, as reserve funding has been used for m	s. A more nultiple years	
sustainable funding position is required for this service, as reserve funding has been used for m Market Sustainability and Improvement Fund (MSIF) - Tranche 2	s. A more oultiple years -3,670	
sustainable funding position is required for this service, as reserve funding has been used for m Market Sustainability and Improvement Fund (MSIF) - Tranche 2 This is the MSIF second tranche for 23/24. It can be used to offset eligible spend that was alread	s. A more nultiple years -3,670 dy planned.	n/a
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85

Supported Living, Residential and Short Breaks Team	-950	-19%
Underspend due to vacancies and also reduction in day services in co-located short break locat	tions causing	а
reduction in staffing forecasts. Savings offset overspend in commissioned services and linked to	o an MTFS s	aving.
Care Pathway - Access and Digital Services	-220	-11%
Underspend mainly due to vacancies in the Customer Service Centre (CRC). Note that this doe	es not include	the
new CSC element due to transfer across from Corporate Resources - this continues to be inclue	ded in the Co	orporate
Resources monitoring until the budget transfer is agreed.		
Commissioning & Quality	-170	-9%
Underspend from vacancies that are in the process of being recruited to.		
Direct Payments	-150	0%
Forecasting clawbacks at (£4m), which has increased by (£0.9m). Forecasting a net overspend reduction in service users (SU) and 13% increase in SU package price. The reduction in SU is		
new SU are choosing to take a managed homecare service over a cash payment. The increase price most likely reflects the higher cost of homecare and supported living being commissioned reflected in the cash payments budget for those recipients. In addition, higher support may hav commissioned to compensate those service users that could no longer visit a buildings-based s community life choices service. Currently averaging at 1,912 SU with an average cost of £439 averaging at 1,136 SU with an average cost of £53.	e in SU packa that are also e been service for a	age
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Public Health

The Department has a projected underspend of £0.2m which will be transferred to earmarked reserves.

	£000	% of
	2000	Budget
Public Health earmarked reserve	160	n/a
Net underspend on Public Health budgets to be offset by a contribution to the Public Health ear	marked res	erve.
Uncertainties on future grants.		
Quit Ready, First Contact Plus, Programme Delivery and Teen Health teams	-130	n/a
Staffing vacancies across these areas.		
Other variances (under £50k)	-30	n/a
TOTAL	0	n/a

Environment and Transport

The Department is forecasting a net underspend of £0.7m (0.8%). The main variances are:

	£000	% of Budget
Social Care Transport	1,345	30%
A rise in the number of commissioned journeys for Social Care Transport. Work is being undert the cause of this increase, although it is likely to be a legacy of the Covid-19 pandemic that has solo journeys. Other factors could include changes in Adult Social Care policy, commissioning a be reviewed and driver shortages within Fleet services. The Transformation Unit are currently le gain a greater insight into the reasons behind this growth and to quantify the impact of this on the and future years. Other mitigating action taken includes a request to A&C to review commission approach being applied with a view to becoming less risk adverse in assessments thereby redu solo journeys being commissioned. All external funding opportunities are also being maximised review of demand and associated costs for Health Social Care.	led to an in approach ne eading on w le budget in ing policy a cing the nu	acrease in eeding to vork to 2023/24 and mber of

Landfill

Overspend as waste is diverted into landfill rather than treatment. As capacity must be conserved for treatment of Persistent Organic Pollutants (POP) bulky waste.

23%

SEN Transport	600	3%
Delays in receipt of applications for SEN Transport from CFS combined with the effects o	of a shrinking transp	ort
sector - a consequence of driver shortages and inflation - that has led to a general upware	d shift in transport of	costs.
At the same time demand is rising along with heightened complexity of need. Issues relat	ting to changes in de	emand
and market capacity are being seen nationally, with Leicestershire fairing better than the r	national average in	terms
of cost increase despite a larger increase in the number of students travelling.		
Mainstream School Transport	500	14%
Delays in processing Mainstream School Transport applications due to vacancies and lim		
within the Transport team; allocation of placements outside residential area by CFS and li		
Reactive Maintenance	360	17%
Forecast overspend in general maintenance and out of hours emergencies. Calculation b actuals to meet the policy requirements on a deteriorating network.	based on current yea	ar
Recycling and Household Waste	210	5%
Overspend due to increased haulage through Persistent Organic Pollutants (POPs) legisl	lation implications.	
Environmental Maintenance	120	2%
Forecast overspend due to cost of delivering full width rural grass cut (completed every 3		
policy) and the cost of employing external resources at higher prices (due to an inability to	o recruit required nu	umber
poney) and the ever of employing external recourses at higher prove (add to an mability to	e reerait requirea ne	
of strimmer operatives) to support the urban cut on footpaths and route to schools .		
	-1,250	67%
of strimmer operatives) to support the urban cut on footpaths and route to schools .	-1,250	67%
of strimmer operatives) to support the urban cut on footpaths and route to schools . Staffing, Admin & Depot Overheads	-1,250 sport Regulation Ord	67% ders
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Chief Executive's

The Department is forecasting a net underspend of $\pounds 0.1m$ (0.5%). The main variances are:

	£000	% of Budget
Coroner's Service	410	34%
Forecast based on activity to date. Lack of visibility of UHL invoices is making forecasting difficu Council, who are providing the Coronial Service, have been asked to provide greater detail.	ult and Leic	ester City
Departmental Items	115	n/a
Departmental-wide saving for staffing vacancy held in this budget. Overspend offset by undersp the department.	ends elsev	/here in
Registrars	-375	n/a
Wedding fee income continues to be higher than budgeted and this trend is expected to continu of the financial year.	e for the re	mainder

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Growth Service	-80	-6%
Underspend due to staffing vacancies.		
Management and Administration	-50	-8%
Underspend due to staffing vacancies.	· · ·	
Business Intelligence	-50	-3%
Underspend due to vacancies (-£70k) and lower running costs (-£8k), offset by reduced income	e (+£26k)	
Other variances	-50	n/a
TOTAL	-80	n/a

Corporate Resources

The Department has a net forecast overspend of £0.6m (1.6%). The main variances are:

	£000	% of Budget
Commercial Services (Commercialism - catering and professional services, Country Parks and LTS Property)	720	60%
Pressure in Commercial Services is on-going; this includes recovery from the pandemic but also pressures through the increase in national living wage and general inflationary pressures. The workers pay offer places significant pressure on commercialism, especially services employing grades e.g. catering. It is likely that those pressures will persist into 2024/25.	local gover	nment
Customer Service Centre	105	5%
Savings of £0.1m were included in this year's MTFS related to additional attrition experienced la are unlikely to be achieved now as attrition is running lower than budgeted levels, which althoug impact on the budget has a positive impact on service and staff. The CSC is also undergoing a as the Adult Social Care CSC transfer back to A&C and the remaining service is remodelled.	h an adver	se
ICT	-160	-1%
The projected underspend is mainly due to staff vacancies.		
Operational Property	-65	-3%
Staffing underspends.		
Other variances	30	n/a
TOTAL	630	n/a

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CHILDREN & FAMILY SERVICES - CAPITAL PROGRAMME 2023-27

APPENDIX C

Estimated Completion	Gross Cost of Project		2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Total £000
Date	£000						
		MAIN GRANT FUNDED PROGRAMME					
Mar-27	90,475	Provision of Additional School Places	26,610	33,895	23,425	6,543	90,474
		SEND Programme					
Mar-26	22,154		8,254	12,650	1,250	0	22,154
			0	0	0	0	(
		Sub-total - SEND Programme	8,254	12,650	1,250	0	22,154
Mar-27	10,509	Strategic Capital Maintenance	4,509	2,000	2,000	2,000	10,509
Mar-27	2,022	Schools Devolved Formula Capital	522	500	500	500	2,022
Mar-25	721	Schools Access / Security	521	200	0	0	72′
Mar-25	5,250	Childrens Residential Homes	1,402	881	0	0	2,283
		Other Capital	6,954	3,581	2,500	2,500	15,535
		Overall Total	41,818	50,126	27,175	9,043	128,163
			Ì				
		Future Developments - subject to further detail and approved business cases					
		Additional School Infrastructure arising from Housing Developments					

ADULTS & COMMUNITIES - CAPITAL PROGRAMME 2023-27

Estimated	Gross Cost		2023/24	2024/25	2025/26	2026/27	Total
Completion	of Project		£000	£000	£000	£000	£000
Date	£000						
Mar-27	17,788	Disabled Facilities Grant (DFG)	4,447	4,447	4,447	4,447	17,788
			4,447	4,447	4,447	4,447	17,788
Mar 07	10.000	Social Care Investment Plan (SCIP):	1 000	4 500		4 050	0 750
Mar-27	- ,	SCIP - Additional Schemes to be confirmed - balance	1,000	1,500	0	1,258	3,758
Mar-24		Specialist Dementia Facility - Coalville Sub-Total SCIP	11	1 500	0	1 259	2 760
			1,011	1,500	0	1,258	3,769
		Total A&C	5,458	5,947	4,447	5,705	21,557

Future Developments - subject to further detail and approved business cases			
Records Office			
Heritage and Learning Collections Hub			
Adult Accommodation Strategy (Social Care Investment Plan)			
Digital for A&C			

ENVIRONMENT & TRANSPORT - CAPITAL PROGRAMME 2023-27

Estimated	Gross Cost		2023/24	2024/25	2025/26	2026/27	Total
Completion	of Project		£000	£000	£000	£000	£000
Date	£000						
		Major Schemes					
Mar-26		Melton Distributor Road - North and East Sections	42,673	40,230	17,378	0	100,281
Mar-27		Melton Distributor Road - Southern Section (Subject to Cabinet Approval)	2,443	2,053	30,125	801	35,422
Mar-26	19,925	Zouch Bridge Replacement - Construction and Enabling Works (Subject to funding bid)	953	8,430	8,430	0	17,813
Mar-27	13,610	County Council Vehicle Replacement Programme	3,446	3,697	3,357	3,110	13,610
Mar-27		Advance Design / Match Funding	3,198	3,717	4,477	3,482	14,874
Mar-25	8,045	A511/A50 Major Road Network - Advanced design	2,497	2,547	0	0	5,044
Mar-27	9,960	Melton Depot - Replacement	100	548	2,127	6,968	9,743
Mar-25	2,000	Leicester and Leicestershire Integrated Transport Model - Refresh	1,178	297	0	0	1,475
Mar-24	26,250	M1 Junction 23 / A512 Improvements	250	0	0	0	250
Mar-24	10,150	Anstey Lane A46	36	0	0	0	36
Mar-24	4,580	A42 Junction 13 / M1 J22	10	0	0	0	10
Mar-24	325	Coalville Ashby Rd Hway works	84	0	0	0	84
			56,868	61,519	65,894	14,361	198,642
					-	-	
Mar-27	51,747	Transport Asset Management	0	18,525	16,611	16,611	51,747
Mar-24	4,008	Capital Schemes and Design	4,008	0	0	0	4,008
Mar-24	1,471	Bridges	1,471	0	0	0	1,471
Mar-24	535		535	0	0	0	535
Mar-24	1,923	Street Lighting	1,923	0	0	0	1,923
Mar-24	521		521	0	0	0	521
Mar-24	3,934	•	3,934	0	0	0	3,934
Mar-24	9,249		9,249	0	0	0	9,249
Mar-24	33		33	0	0	0	33
Mar-27	418		334	28	28	28	418
Mar-27	-	Plant renewals	152	100	100	100	452
Mar-27	-	Property Flood Risk Alleviation	793	561	318	151	1,823
Mar-25	,	Hinckley Hub (Hawley Road) - National Productivity Investment Fund	316	300	0.0	0	616
Mar-27	- /	Safety Schemes	644	932	344	344	2,264
Mar-25		Highways Depot Improvements - subject to business case	370	400	0	0	770
Mar-24		Externally Funded Schemes	464	0	0	0	464
	101		24,747	20,846	17,401	17,234	80,228
				_0,0 /0	,	,204	
		Environment & Waste					
Mar-24	8.600	Waste Transfer Station Development (Commitments b/f)	672	0	0	0	672
Mar-24	,	Kibworth Site Redevelopment	40	0	0	0	40
Mar-27		Recycling Household Waste Sites - General Improvements	365	446	974	164	1,949
Mar-25		Recycling Household Waste Sites - Lighting	148	195	0	0	343
Mar-24		Mobile Plant	140	0	0	0	150
Mar-24		Ashby Canal Reed Bed	650	0	0	0	650
Mar-24 Mar-27		Ashby Canal	27	27	27	27	108
Mar-24		Snarestone Wharf - Ashby Canal	200	21	27	27	200
Mar-27		Recycling Household Waste Sites - S.106 funded schemes	351	99	60 60	78	588
11101-27	500		2,603	767	1,061	269	4,700
			2,000	101	1,001	203	-,,00
ļł		Total E&T	84,218	83,132	84,356	31,864	283,570
			07,210	00,102	0-7,000	01,004	200,070

<u>E&T</u>	Future Developments - subject to further detail and approved business cases			
	New Melton RHWS			
	Additional bid development/match funding			
	Windrow Composting Facility			
	Compaction equipment			
	Green vehicle fleet (update/ strategy needed)			
	DIY Waste Equipment			

CHIEF EXECUTIVES - CAPITAL PROGRAMME 2023-27

Estimated	Gross Cost		2023/24	2024/25	2025/26	2026/27	Total
Completion	of Project		£000	£000	£000	£000	£000
Date	£000						
Mar-24	30	Shire Community Solutions Grant	30	0			30
Mar-25	200	Legal - Case Management System - subject to business case	0	100	100		200
		Total Chief Executives	30	100	100	0	23
		Future Developments - subject to further detail and approved business cases					
		Legal - Commons and Village Green Register					

CORPORATE RESOURCES - CAPITAL PROGRAMME 2023-27

Estimated	Gross Cost		2023/24	2024/25	2025/26	2026/27	Total
Completion	of Project		£000	£000	£000	£000	£000
Date	£000						
		107					
				400			70
Mar-26	900		0	100	600	-	700
Mar-26	240	Replacement of IT Service Management toolset and User Portal	0	0	240	-	240
Mar-26	100	Remote Access Refresh	0	0	50		50
Mar-26	1,700		31	0	1,500		1,531
Mar-24	150		150	0	0	-	150
Mar-27	80	Solaris Hardware Refresh	0	0	0		60
Mar-24	145		10	0	0	-	10
Mar-24	170		91	0	0	-	91
Mar-24	90	Session Border Controllers	11	0	0	-	11
Mar-24	100		26	0	0	-	26
Mar-24	950		49	0	0	0	49
		Sub total ICT	368	100	2,390	60	2,918
		Turn of a marchine limit Marine of Marine a					
14 05		Transformation Unit - Ways of Working	705	500	0	0	(
Mar-25	1,630		735	582	0	0	1,317
Mar-27	10,130		1,437	862	1,293	1,530	5,122
Mar-25	2,000		377	400	0	0	777
		Sub total Transformation Unit	2,549	1,844	1,293	1,530	7,216
		Property Services					
Mar-24	440		139	0	0	0	139
Mar-24	50		45	0	0	0	45
Mar-24	160	Library Replacement windows	155	0	0		155
Mar-24	110		83	0	0		83
Mar-24	85		85	0	0	-	85
Mar-24	110		4	0	0		2
Mar-24	650		251	0	0	0	251
Mar-24	63		63	0	0		63
Mar-24	75	County Hall - MUGA Resurfacing	75	0	0	0	75
		Sub total Property Services	900	0	0	0	900
		Climate Change - Environmental Improvements					
Mar-25	380	Electric Vehicle Car Charge Points	100	131	0	-	231
Mar-27	603		303	100	100	100	603
Mar-24	140		138	0	0	0	138
Mar-24	1,260	Energy & Water Strategy - Invest to save	142	0	0	0	142
Mar-24	145	Snibston E V Chargers & Solar Car Port	75	0	0	0	75
		Sub total Energy	758	231	100	100	1,189
		Total Corporate Resources	4,575	2,175	3,783	1,690	12,223

Future Developments - subject to further detail and approved business cases			
Major System Replacements, IAS, Mosaic, Capita One, STADS, PAMS, s106 system			
ICT Future Development - continual refresh of infrastructure			
Strategic Property Future Developments			
Snibston Ancient Monument - (SAM)			
Country Parks Future Developments, including cafes, play areas and car parking			
Green energy and insulation initiatives			

CORPORATE - CAPITAL PROGRAMME 2023-27

Estimated	Gross Cost		2023/24	2024/25	2025/26	2026/27	Total
Completion	of Project		£000	£000	£000	£000	£000
Date	£000						
	i I	Investing In Leicestershire Programme (IILP)					
Mar-25	8,400	Airfield Business Park - Phase 3-4	250	8,145	0	0	8,395
Mar-25	10,000	Quorn Solar Farm	345	9,454	0	0	9,799
Mar-26	2,750	M69 Junction 2 - SDA	150	633	50	0	833
Mar-25	2,900	Lutterworth Leaders Farm - Drive Thru Restaurants	250	2,655	0	0	2,905
Mar-25	5,000	Lutterworth East - Planning and Pre-Highway construction Works	50	4,658	0	0	4,708
Mar-24	34,680	Lutterworth East - SDA	35	0	0	0	35
Mar-24	85	Embankment House - Land Development	67	0	0	0	67
Mar-27	1,156	County Farms Estate - General Improvements	289	289	289	289	1,156
Mar-27	1,456	Industrial Properties Estate - General Improvements	364	364	364	364	1,456
Mar-27	34,100	New Investments - subject to Business Case	500	5,000	10,000	18,600	34,100
		Sub total IILP	2,300	31,198	10,703	19,253	63,454
	i I						
	i I	Future Developments					C
Mar-27	40,000	Future service projects - subject to business cases	0	10,000	15,000	15,000	40,000
Mar-27	20,600	Capital Programme Portfolio Risk	0	600	10,000	10,000	20,600
	i I	Sub total Future Developments	0	10,600	25,000	25,000	60,600
	i I						
	i l	Total Corporate Programme	2,300	41,798	35,703	44,253	124,054

<u> </u>	uture Developments - subject to further detail and approved business cases			
S	Sustainability / Invest to Save Schemes			

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APPENDIX D

Savings Under Development

This appendix lists areas where departments are looking at the potential for additional savings which are not yet currently developed enough to be able to quantify and build into the detailed savings schedules.

Children and Family Services

School Admissions Service Review

Undertake a review of the School Admissions service processes with a view to improve performance, understand demand and capacity requirements and minimise/remove any need for growth to cope with increased numbers of children in each year group.

Expand Establishment Modelling & Dynamic Modelling

Following Delivery of Establishment Modelling within the Defining Programmes in localities, there may be an opportunity to expand the approach across the department. Dynamic resourcing models identify any surplus/under-utilised resources that can be reprioritised in other localities or applicable services.

Reducing Contacts

A significant percentage of contacts that come into the front door do not end up with a referral to Social Care teams. A lot of time and effort goes into screening/assessing these. If numbers can be reduced this frees up capacity at the front door (possibly by setting expectations with major referrers and improving quality of contacts).

CWFS Remodel

The integration of services to form Family Help and Family Together aims to deliver more intensive services to families as and when they need them, reducing escalation to more costly, higher tier safeguarding services. Reviewing the CFWS component services and the level at which services are delivered may deliver more efficiencies but this is likely to deliver mitigation against future growth as the service has already had to absorb significant reductions in funding and has key dependencies that need to be considered :

- Dependency to deliver Child in Need Services, as set out in the social care review.
- Adoption of the new Child in Need model is likely to contribute to reduced reliance on agency staff.
- CFWS referral rates continue to increase and since the start of CFWS in April 2019 have almost doubled, indicating a growing need for families.
- Changes to the services, if not thought through, could impact on escalation of families to higher tier, more costly services.

Section 106 Process Review

Potential to automate part of the process to reduce staffing requirements plus exploring the ability to recharge revenue costs against capital grant funding.

Centralisation of Budgets

Centralise all discretionary budgets, training, stationary, section 17/24. Bringing in tighter process controls to reduce overspends. The first call on these savings though will be to reduce existing budget pressures (to avoid growth) and address prior year gaps in department efficiencies.

Defining CFSF – Next Phases

At a very early stage, but ideas for potential savings are being considered in the following areas :

- Partnership approach to reducing safeguarding referrals arising from parental multiple needs
- Family Time/contact presented to extended SMT as a peer review, identifying layers of potentially overlapping resource
- Commissioning and Planning support across key areas to implement new processes, which will deliver value for money and volume discounts on an ongoing basis.

Adults and Communities

3 Conversations Model

The 3 Conversations approach recognises that people and their families are the experts in their own lives and by listening to them it could be possible to develop a different approach to meeting their needs; utilising resources and skills, building upon their strengths, connecting them to the right people, communities, organisations to make their lives better, rather than seeing the commissioning of services as the best option for people. This approach has now been used in more than 40 local authorities in England and a number of Health and Social Care partnerships in Scotland. Further analysis on reducing costs related to commissioned services will continue to be explored as part next phase of the workstream.

The partnership with Partners4Change ceased earlier this year. However, officers are working with a range of localities, Blaby, Oadby, Wigston and Harborough and countywide teams to continue to embed the ways of working regarding the ethos of the 3 Conversations model. The model is seen as the next steps of the department's operating model and seeks to work with people in the ways outlined above.

Transitions review

The journey from child to adult social care is commonly described as 'transition.' It begins in Year 9 (age 13/14) and continues up to the age of 25. At present the Department's Young Adult Disability Team work directly with young people from around the age of 17/18. Transition is a process that happens over a period of time, during which services need to work flexibly to ensure each young person's individual circumstances are taken into account when planning the move into adulthood. Working with young people and their representatives, a successful transitions process should provide a near-seamless move between child and adult social care teams, enabling expectations around the

It is hypothesised that if more active work is undertaken with young people receiving children's social care, their representatives and social care workers at an earlier age, savings could be achieved by having additional time to work with them to look at ways of reducing need or considering alternative approaches to meet outcomes.

A recent Health needs assessment suggested the Council should consider a 0-25 years' service which is delivered in some council areas. This will also be considered as part of the review.

Transforming Commissioning

The Transforming Commissioning Programme has been developed as a delivery mechanism for the Market Sustainability Plan and will help the authority to achieve a more sustainable adult social care market, with the right commissioning capacity, in the most efficient way possible. This programme will work to implement an innovative commissioning agenda, developing and shaping the external provider market to increase the choice and availability of high quality, cost effective new service options.

Separate analysis of existing commissioning methodology has also identified the potential for significant savings towards the MTFS through more innovative approaches to commissioning adult social care services. The programme is expected to consist of a number of projects; each will help us to deliver cashable savings and cost avoidance as well as the outcomes required through the Market Sustainability Plan.

Savings are anticipated from commissioning of:

- Outcomes focused commissioning;
- Direct Payments (Personal Assistants);
- Extra Care;
- Home Care improvement;
- Nursing Care;
- Residential Care.

Mental Health Rehabilitation and Recovery Service

The Mental Health Rehabilitation and Recovery Service (running from Bridge Street in Shepshed) delivers effective rehabilitation and recovery to people whose needs cannot be met by less intensive mainstream adult mental health services. The service supports the wider health system but is currently funded by the County Council.

It has been agreed that the ICB will fund 50% of the service from 2023/24. The service will be reviewed over the next 12 months to determine future delivery.

CSC review/redesign

CSC Tier 1 staff transferred from Corporate Resources to Adults and Communities in June 2023 and now report into the management structure alongside Tier 2 staff.

This is part of a 3-stage plan to improve the efficiency and effectiveness of the 'front door' model for the department, which incorporates:

• Stage 1: Preparing staff for transition – Completed;

- Stage 2: Post-transition interim period stabilisation and continuous improvement, incorporating designing a new front door model for adult social care – In progress;
- Stage 3: Implementation of new front-door operating model.

Following a four-week stabilisation period post-transfer, work will commence to design a new front door model with a view to developing an options paper to provide evidence for a decision on next steps. Opportunities to make savings on the existing cost of providing the Tier 1 and 2 service will be explored as part of this options paper.

Public Health

Service Efficiencies

A review of internal delivery costs is being undertaken and part of the saving has been identified in the Stop Smoking Service by changing the way Pharmacotherapy is dispensed. Further opportunities to achieve the saving are being explored.

Selling some of our current services to schools and workplaces

The programme has launched recently, and modelling is still being undertaken on some of the offer to workplaces. Several pilots have taken place and we have received positive feedback from customers.

Environment & Transport

Developer Shop

Create a One Stop Shop for developers. Work proposed to investigate a commercial model for engaging with developers across the Department, creating a one stop shop to maximise the income potential. Currently there are a number of approaches and/or touch points with developers in different teams. There are examples of other authorities that have a single approach to developer engagement that delivers and maximises income from the various activities included.

Fees & Charges

A review is being conducted of all fees and charges across 50 services (such as disabled bays, H-bars, road works permitting and penalties and other licences the Council charge for) to ensure that fees and charges are reflective of the full costs incurred by the Authority.

Network Management (Phase 1) and Lane Rental (Phase 2)

This saving is being assessed and/or addressed in two phases: **Phase 1** - Review of structure and processes within Network Management Team to ensure consistent application of current Network Management legislation.

Phase 2 - Lane rental scheme is a concept where a local authority can charge commercial firms for works on 'major' parts of the highways network. The aim of this scheme is to minimise the amount of time part of the major network is unavailable and ensure that the network is available as soon as possible. The experience of other local authorities suggests that this scheme could generate income although it needs to be considered in the context of the permitting charging currently in place.

New Vehicle Hire Contract (HGV's)

Secure increased cost-effectiveness by implementing one single hire contract across the fleet to deliver economies of scale and better value for money.

Highways Efficiencies

To generate efficiencies from the overall management and maintenance strategy for fleet vehicles through use of improved workshop data. This requires six months of good quality data from a new system before options can be developed.

Conversion to Electric Vehicles

A move away from internal combustion engine vehicles to Electric Vehicles as part of the carbon reduction measures required to deliver carbon neutrality.

Future Waste Transfer Station (WTS) and Trade Waste Commercial Work

The Council operates a WTS at Loughborough. With the insourcing of Whetstone RHWS and WTS, and the construction of Bardon WTS, there is an opportunity to optimise these assets with a view to maximising income generation.

Chief Executive's

Increasing income generation

Increase income generation from partners and other bodies by leveraging increases in existing charges and exploring further support provision. Areas in scope include: Registration Services income/fees, Business Intelligence, Freeport accountable body levy, Ecology and Heritage advice, and Additional Planning, Historic and Natural Environment fee income.

Service Efficiency Programme

Rolling service by service review to identify opportunities for services to be as efficient as possible starting with Democratic, Civic and Member Services. Scoping to commence in autumn 2023. No savings yet identified.

LLR Partnership Groups Review

A list of LLR partnership groups officers are attending, coordinating, supporting or managing has been compiled. The list is being quality assured by departments to identify where quantifiable savings and efficiencies can be achieved through the standing down of these groups and meetings.

Corporate Resources

Technology and Hardware Costs

The number of smartphones and data connections across the authority was increased as a result of changing ways of working throughout the COVID-19 pandemic and beyond as smarter working was made an emphasis through the ways of working programme. There are now around 3,000 active data connections across the authority.

With a large number of smartphones coming to the point of being refreshed, a full review is being undertaken to understand if these are all truly needed and to exploit advances in technology (including "bring your own phone") to proactively reduce the number of connections and associated capital and revenue costs.

Criteria have been drafted around which functions and roles require a smartphone and is currently being tested to confirm the rationale before applying these changes across the authority.

Country Parks and Cafes

Two specific proposals are anticipated to offer potential savings, further to existing plans, for Country Parks to improve its net financial position:

- 1. A capital investment to develop an additional traded play offering at Bosworth Battlefield.
- 2. Ongoing focus on café cost of goods and services, this with a view to reducing from the current 43% of turnover to 35% by the end of the current MTFS period.

Beaumanor

The service is currently focussing on opportunities to increase revenues, principally from weddings, alongside establishing external marketing and promotions support intended to increase annual wedding bookings from 20-25/year to around 100/year.

Business Rates Review

Commissioning Estates as part of the business as usual process are responsible for validating and mitigating non domestic rates liability for the County Council. In order to do so the County Council has entered into a 4-year contract with an external consultant, Jones Lang LaSalle, with specialist knowledge and experience of dealing with rating reviews to work alongside the County Council.

Century Theatre

The Century Theatre is a 220-seat small sized theatre situated close to Coalville on the site of the Snibston Country Park. The theatre is operated by Leicestershire Traded Services, hosting community and touring theatre, music, and other performance events. Incomes are derived both from theatre hire fees (typical in the case of smaller performers) or from ticket sales (often split with more known/national touring performers), with additional event sales from drinks and refreshments a secondary source of potential profits.

The Council's proposed approach to the Century Theatre is to increase shows and revenues. To this end management have engaged specialist consultants (Creative Concepts Limited) to review operations and the events programme, devising a new offer and approach – it is anticipated that the theatre will increasingly focus on music events, tribute acts, comedy, and events with broader appeal for the local demographics; that marketing will be better prioritised for events offering the greatest LTS profit potential; and that, consistent with the approach for Country Parks and Cafes, greater attention will be paid to cost of goods and services as a means to improving margin on secondary sales.

Service Efficiency Programme

Rolling service by service review to identify opportunities for services to be as efficient as possible starting with Operational and Strategic Property Services. Scoping to commence July 2023.

Tax Opportunities

Third-party consultant providing expertise and resource to review any opportunities for further tax savings across the Council. Change recommendations would mostly be expected to relate to VAT, with payroll taxes thought less likely to be an area where changes can realistically be made.

Asset Challenge

As part of the development of the Corporate Asset Management Plan (CAMP) and also in line with recommendations of CIPFA the council is to undertake an Asset Challenge of every property asset that it owns or occupies to ensure that the estate is managed effectively and efficiently and that only those assets that are required for the ongoing delivery of strategic plan outcomes are retained.

A systematic geographic review of every asset, scoring it against a number of criteria but not exclusively: cost, condition, maintenance spend and energy to divide the estate into 4 categories:

- Those performing in line with benchmarking criteria.
- Those that meet most criteria e.g. Location but require investment in repair and upgrade to meet environmental, energy or regulatory requirements.
- Those where other future service needs, and development is required.
- Building surplus to requirement.

All service areas of the authority will be consulted as part of the review. Members will be consulted as stakeholders

Cross Cutting Organisation Wide Programmes

Sustainable Support Services Programme

The sustainable support service programme aims to deliver the vision that Leicestershire County Council has the right tools and most cost effective and efficient level of support to deliver its services. This programme will review the end-to-end support in place within all departments to ensure the right people, right tools, and right support is in place across the council - making the most efficient use of resource, technology and process design to maximise productivity and compliance. The programme will focus on efficiency of backoffice functions designed to support the delivery of the wider councils operations.

Prevention Review (and Communities)

CMT have commissioned a review of Prevention activity across the authority as part of a series of corporate reviews targeted with securing medium-term financial savings for the council to be included in future revisions of the Medium-Term Financial Strategy. The prevention review will take a systemic approach to retaining and investing in prevention activity that offers the best value in reducing demand on the County Council's high-cost services at the lowest cost.

Potential savings are anticipated through:

- A reduction in prevention-based activity that is unable to evidence future cost and/or demand reduction, particularly impacting on demand for the highest cost services
- The substitution of existing funding for prevention activity through other income
- streams such as grant funding
- The transfer of council activity to other parties
- Increasing efficiency and/or productivity to enable activity to continue at a lower cost
- Possible further investment using savings secured from elsewhere in preventionbased activity that can evidence a reduction in medium-term future spend on top of the investment and are dependent upon sound financial business cases.

A diagnostic exercise is underway that will review the baseline cost of prevention to the organisation, look to benchmark and consider best practice from other organisations around Prevention, and develop recommendations for change based on the principles above.

Customer Programme

The vision for the customer programme is that "People will be able to get what they need from services quicker and easier, the Department will create sustainable and accessible customer interactions across the council". The programme will develop a future target operating model for how the council interact with its external customers, within this creating clarity around the role of the Customer Service Centre and efficiencies available to departments, changes will be underpinned by:

- The need to deliver services with less money.
- Leveraging digital channels for those that can.
- Ensuring services are accessible; people will be directed to the most appropriate channel to meet their needs.
- Being data driven; any changes the Department makes are measurable and adds value.
- Reducing the steps involved in processes so that its easier for customers to do the things they need to do.

Automation

Development and implementation of automated systems that can remove the need for manual intervention – driving further efficiencies and productivity internally. These systems will be implemented in areas where processes can be readily automated, with a series of proof of concepts being scoped to understand the art of the possible. It is expected that automation will play a major role in delivery of many change initiatives across the authority.

Data Strategy

Instigation of a data strategy, aligning IT and Business Intelligence to drive a culture of data-led performance management across the Council. Review of the infrastructure, skills roles and responsibilities required to deliver the Data Strategy for the council to improve data management practices and identify where data collection could be improved and/or automated – driving efficiencies.

Partnering with Gartner, work is now underway with officers across all departments to understand strategic drivers and shape the development of the strategy, approach and potential benefits of this important work.

Growth Programme

The growth programme will look holistically across the Council at the role of the Council and its services in supporting and managing economic growth to understand the whole picture, to see how the individual pieces of the puzzle should fit together. Key to this programme is to establish the future need, items of strategic importance, and translate it into operational decisions. To date key themes emerging throughout the discovery phase are Strategic definition and execution gap, Developer Contributions and Transport and Infrastructure / planning of sustainable development. No savings have yet been identified however a full design and implementation of key changes will be developed over the summer to understand any corporate efficiencies that could be made.

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CABINET – 15 SEPTEMBER 2023

INVESTING IN LEICESTERSHIRE PROGRAMME ANNUAL PERFORMANCE REPORT 2022-23

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

<u>PART A</u>

Purpose of the Report

1. The purpose of this report is to set out the performance of the Investing in Leicestershire Programme (IILP) for the 2022/23 financial year. The Annual Performance Report is attached as the Appendix to this report.

Recommendations

2. It is recommended that the performance of the Investing in Leicestershire Programme for the period April 2022 to March 2023 as set out in the Annual Performance Report, be noted.

Reasons for Recommendations

3. In accordance with the Cabinet's decision in September 2017, this report fulfils the requirement to report annually on the performance of the portfolio to both the Cabinet and the Scrutiny Commission, to demonstrate that the Programme is being managed professionally and prudently and in line with the CIPFA (Chartered Institute of Public Finance and Accountancy) Prudential Code, and HM Treasury guidance and the Strategy approved by Council in February 2023.

Timetable for Decisions (including Scrutiny)

4. The Annual Performance Report was considered by the Scrutiny Commission at its meeting on 6 September 2023 and the Commission's comments will be reported to the Cabinet.

Policy Framework and Previous Decisions

5. The IILP was established as part of the Medium Term Financial Strategy (MTFS) 2023 – 27 on the review of the former Corporate Asset Investment Fund (CAIF) investment strategy, (approved by the County Council in February 2014) and the IILP Portfolio Management Strategy 2023 -27 approved to guide future investment and management decisions. The Portfolio Management Strategy is reviewed annually in the MTFS.

- 6. In May 2014 the Cabinet established the principle of the management of the CAIF portfolio being overseen by an Advisory Board, comprising five Cabinet members. The Board considered the merits of any investment opportunities presented by the Director of Corporate Resources, which the Director of Corporate Resources may then approve under delegated powers (which authorise investment up to £1m per project or up to £5m with the support of the Board) or refer to the Cabinet for a decision.
- 7. The Cabinet in September 2018 approved the CAIF Strategy and Advisory Board's Terms of Reference. Subsequent changes were approved as part of the MTFS, reflecting, for instance, the Council's declaration of a Climate Emergency.
- 8. The Cabinet on 10 February 2023 agreed that the CAIF would be replaced by the Investing in Leicestershire Programme (IILP) and approved the IILP Strategy for 2023-2027 and Terms of Reference for the IILP Board.
- 9. The Medium Term Financial Strategy 2023-27 Capital Programme approved by the Council on 22 February 2023 included the provision of £57m for IILP projects during the period 2023-27. This allocation was subsequently reduced to £43m at outturn in March 2023 as a result of additional Pooled Bank Risk Share investments of £15m in 2022/23 and slippage elsewhere in the programme.
- 10. The County Council's Strategic Plan 2022-26 sets out five key strategic outcomes. In addition to maximising financial benefits, the future IILP Strategy will seek to make a positive contribution to the delivery of these objectives through measures including the generation of renewable energy, improving the energy efficiency of buildings, maximising opportunities to decarbonise the estate, facilitating the delivery of affordable and quality homes and building a strong economy, generating economic growth.
- 11. The Corporate Asset Management Plan 2022 26, approved by the Cabinet on 23rd September 2022, which is aligned with the Council's Strategic Plan, promotes the management of the Council's property assets in a way that contributes to the achievement of the five strategic outcomes whilst recognising in the case of the IILP the continuing need to deliver both financial benefits and address areas of specific economic or social market failure.

Resource Implications

12. The County Council's financial position has been challenging now for a number of years. The Council is now faced with the significant challenges linked to the war in Ukraine in terms of global energy and food supply and the resultant impact on inflation levels which have risen to levels not seen for many decades. The MTFS 2023/24 -2026/27 balances in year 1 only and has a funding gap of £13m in year 2, rising to £88m in year 4. Delivery of the current MTFS requires savings of £150m to be made over its lifetime and

identifies £37m of savings and proposed reviews that will identify further savings to reduce the £88m funding gap in 2026/27.

- 13. The Council's four-year capital programme totals £509m. This includes investment for services, road and school infrastructure arising from housing growth in Leicestershire, the IILP, social care accommodation and energy efficiency initiatives.
- 14. The MTFS 2023/24-2026/27 which incorporates the investment strategy for that period confirmed the provision of funding to grow the IILP to £260m over the MTFS period. The exact level of investments made will be dependent on the availability of good investments, the actual cost of development and the level of funding available. The expectation is that the returns (a combination of revenue income and capital growth) generated by the IILP will have a meaningful impact on the Council's budget to reduce the funding gap.
- 15. The amount invested in the Programme as at 31 March 2023 was £217m (the latest valuation of the fund which includes capital growth in the valuation of the assets held is £233m). The MTFS capital programme includes an updated provision of £43m for additional investments spread over the four years 2023/24 to 2026/27 to fund further IILP investments. This would increase the amount invested in the Programme to the £260m target.
- 16. The total gross income is forecast to grow to an estimate of £8m by March 2027.
- 17. The Director of Law and Governance has been consulted on this report.

Circulation under the Local Issues Alert Procedure

18. None.

Officers to Contact

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Jonathan Bennett, Head of Strategic Property, Corporate Resources Department Tel: 0116 305 6358 Email: jon.bennett@leics.gov.uk

PART B

Background

- 19. The Council has owned and managed properties in the form of the existing Industrial and County Farms estate for many years. These properties are held for the purposes of supporting the delivery of various economic development objectives and to generate revenue and capital returns to the County Council.
- 20. The creation of the CAIF and the associated Advisory Board in 2014 was aimed at increasing the Council's property portfolio and ensuring a more diverse range of properties, to continue to support economic development and generally increasing the quality and sustainability of the land owned by the Council and the income this generated.
- 21. The CAIF was reviewed annually and in 2022, to ensure that the Strategy fully reflected the objectives and outcomes of the Council's Strategic Plan and the latest Treasury guidance, the CAIF was replaced by the IILP and the current Portfolio Management Strategy adopted.
- 22. The management of the IILP has continued along similar lines to the CAIF, with an advisory Board chaired by the Cabinet Lead Member for Resources supported by an officer group formed from strategic property, strategic finance and legal services to provide advice on risks, deliverability and financial implications. Specialist property investment support and advice is also available to provide an independent view and robust challenge. Following consideration by the Advisory Board, the Director of Corporate Resources approves investments (under delegated powers) or refers proposals to the Cabinet for a decision.
- 23. As with the CAIF, the IILP Strategy is reviewed annually to ensure that in addition to maximising financial benefits the portfolio contributes to achieving the County Council's wider strategic goals, for example in the Council's Strategic Plan, mentioned previously.
- 24. The Board continues to be supported by officers from other departments, such as Environment and Transport, to provide advice in respect of matters such as the increasing impact of growth on infrastructure and Climate Change in relation to the projects being managed through the Programme. The Head of the Growth Service, which is currently vacant but being recruited to) will also provide support as necessary; the Service has general oversight for the delivery of large growth schemes to ensure the Council's engagement with these schemes is co-ordinated, and that they are assessed and prioritised against the resources available and balanced against the need to deliver the aims of the Programme and the Council's Strategic objectives.

Performance of the IILP

- 25. The IILP has a significant and growing value and has provided a means by which the Council can continue to provide high quality services to the people of Leicestershire despite significant pressures on public finances.
- 26. Since 2014 income generated by CAIF and IILP investments has made a real impact towards supporting Council services without which further savings would have been required and service provision to residents and businesses in the County would have been adversely affected.
- 27. Originally, funding of £15m was allocated to the CAIF to fund new investments over four years from 2014/15, and this focussed on direct managed property investments to support the funds strategic objectives. In addition, other Council assets were included in the portfolio, mainly county farms and industrial properties. Since 2014/15, funding allocated has been renewed and increased annually and used to invest more widely in indirect and non-property investments. A total of £43m has been set aside in the current MTFS to support the further development of IILP.
- 28. The Annual Report attached as the Appendix to this report sets out in detail the overall performance of the IILP during the 2022/23 financial year. This shows that continued prudent management of the Fund over the last financial year has led to another substantial increase in its value.
- 29. At the end of 2022/23, the direct property portfolio was valued at £158.1m and comprised £24.2m of rural estate, £53.1m of offices, £30.0m industrial properties, £4.6m of other property together with £46.2m of development properties.
- 30. Overall, the capital value of the Fund increased by £26.7m during 2022/23 (new investments/ other changes of £18.5m and £8.2m increase in valuation) to £233.5m. In addition, the Fund generated a net income of £5.8m which will contribute directly to the provision of Council services.
- 31. The let property investments have produced a return of 6.7% with all direct property, including the development sector, achieving a return of 11.2%. This is well above the benchmark market index of minus 14.9% due in part the stable nature of the assets compromised in the estate but more importantly to the fact that the property portfolio continues to be valued as 1st October each year with the result that the value of the property assets did not suffer the full impact of the yield adjustments caused by the overriding economic conditions which prevailed in the second half of the financial year. However, this effect counterbalances the underperformance in capital growth in 2021/22 at a time when the wider market enjoyed sharply rising prices. The value of the portfolio will likely be subject to a further downward adjustment in 2023/24 reflecting the further outward movement in yields.
- 32. Also included in the IILP valuation are the financial investments that have been made in vehicles outside direct property ownership, now totalling £75.4m. This

diversification, to spread risk, is in line with the Council's aim to increase its commercial activities to generate greater income that will support the Council's MTFS and future service delivery costs. In total £22.5m is invested in Pooled Property Funds, £28.7m in Private Debt plus recent investments in Pooled Infrastructure Funds and Pooled Bank Risk Share Funds of £8.7m and £15.5m respectively.

Equality Implications

33. There are no equality implications directly arising from this report.

Human Rights Implications

34. There are no human rights implications directly arising from this report.

Environmental Implications

35. The IILP Strategy, in relation to the acquisition, development and management of the Programme's property assets, incorporates measures that ensure that the direct property portfolio makes a positive contribution to the achievement of the Strategic Plan's Clean and Green Strategic Outcome.

Background Papers

Report to the Cabinet, 23 September 2022 - Corporate Asset Investment Fund Annual Performance Report 2021-22 https://politics.leics.gov.uk/ieListDocuments.aspx?Cld=135&Mld=6776&Ver=4

Report to the Council on 22 February 2023 "Medium Term Financial Strategy 2023/24 - 2026/27", including IILP Portfolio Management Strategy 2023-2027 (Appendix H) https://politics.leics.gov.uk/ieListDocuments.aspx?Cld=134&Mld=6913

<u>Appendix</u>

Investing in Leicestershire Programme Annual Performance Report 2022 – 2023

Investing in Leicestershire Programme

ANNUAL PERFORMANCE REPORT 2022 - 2023





Building Business. Boosting Communities.

FOREWORD

I am very pleased to present the 2022-23 Investing in Leicestershire Programme annual report.

Once again, the pressures on Leicestershire County Council's finances remain unprecedented and we recognised some time ago the benefits of owning a diverse portfolio of property and other investment assets.

We have been sensible and strategic in our approach to these investments and, as you will see from this report, this has seen another increase in the value of our Investing in Leicestershire Programme portfolio.

Our portfolio has grown each year since it began in 2014/15 and now stands at £233 million, helping to provide significant income for the council.

As well as income, our portfolio and investments have helped to boost our local economy through jobs and business opportunities. We're also taking our responsibilities for the environment seriously by maintaining a portfolio which is not only sustainable but also builds towards the goal of being a net zero county by 2045.

We're planning to continue this work with the development of more diverse projects which generate clean, renewable energy in order to continue to reduce Leicestershire's carbon footprint.

There are still challenges, including the pressure of high inflation which will make things tough, alongside the backdrop of our funding continuing to be among the lowest of any council.

For all these reasons, it is vital we use what tools we can to improve our own situation and IILP (and CAIF in earlier years) has shown it can contribute to funding the highquality public services we provide for the people of Leicestershire, boost the county's wider economy while helping us achieve the aims and ambitions of our Strategic Plan.



Lee Breckon, Lead Member for Resources, Leicestershire County Council

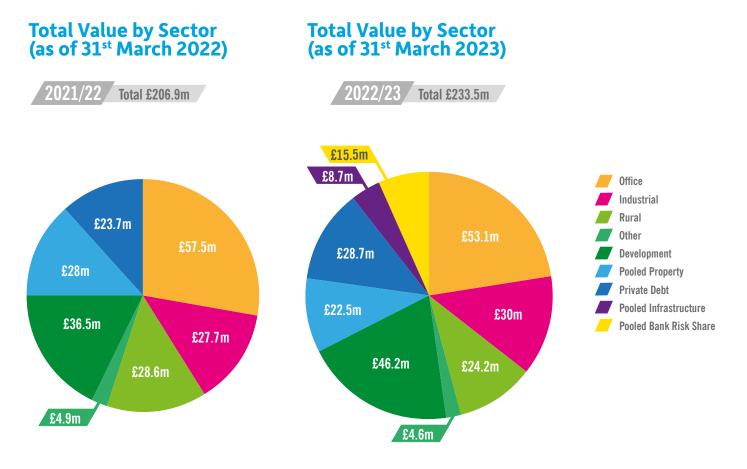


SUMMARY

This report forms the annual review of the Investing in Leicestershire Programme (IILP) portfolio, reporting on the performance for the year to 31st March 2023.

The IILP contributes to the economic, social, and environmental wellbeing of the people of Leicestershire especially given the current financial climate coupled with service demand growth. Whilst making a significant contribution to the Council's Strategic Plan, the income generated by investment in high quality assets provides increased financial resilience and underpins the Council's ability to deliver a comprehensive range of quality services in the future.

The annual report examines the development and performance of the overall portfolio, the potential of the future investment programme to deliver enhanced returns and the outlook for the wider investment market and how it might impact on the future investment strategy.



As of 31st March 2023, the capital value of the portfolio totalled £233.5 million compared with the value as of 31st March 2022 of £206.8 million. The opening and closing valuations being calculated on the basis of a combination of internal and external asset valuations; external valuations being undertaken in 2022 - 23 in respect of the whole direct portfolio.

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Financial summary

	V lass au	Transactions					
	Value on 31 st March 2022 (£m)	Acquisitions (£m)	Capital spend (£m)	Sales & Transfers (£m)	Valuation Change (£m)	Value on 31 st March 2023 (£m)	Net Income (£m)
Office	57.5				(4.4)	53.1	3.3
Industrial and Distribution	27.7		0.1		2.4	30.0	1.4
Rural	28.6		0.1	(9.4)	4.9	24.2	(0.0)
Other Property	4.9			(0.2)	(0.1)	4.6	0.3
Total Managed Property	118.6		0.2	(9.6)	2.7	111.9	4.9
Development	36.5		0.4		9.3	46.2	(0.2)
Direct property	155.1		0.6	(9.6)	12.0	158.1	4.6
Pooled Property	28.0				(5.5)	22.5	0.9
Private Debt	23.7	3.8			1.2	28.7	0.2
Pooled Infrastructure	0	8.7				8.7	0.1
Pooled Bank Risk Share	0	15.0			0.5	15.5	0.0
Total Diversifiers	51.7	27.5			(3.8)	75.4	1.2
Overall Total	206.8	27.5	0.6	(9.6)	8.2	233.5	5.8

Notes: All figures are rounded to nearest 0.1m

At 31st March 2023, the Programme held managed direct property assets of £111.9m, and development property of £46.2m; a total of £158.1m representing an increase of £3.0m on the previous year. In addition, the portfolio includes external pooled property funds and private debt investments, together with holdings in pooled infrastructure funds and pooled bank share funds which have been acquired in 2022 - 23 (the 'diversifiers'); the diversifiers have a total value of £75.4 million.

Overall returns have shown a modest decline on the previous year but still compared very favourably with the wider market where the full effect of economic pressures caused an outward movement in yields negatively impacting capital values across all but the rural sector. Cushioned from the full effects of sharply falling values by the portfolio's mid-year valuation date the only direct property sectors to suffer negative capital growth were the office and alternatives (other) sectors whereas the value of the pooled property fund fell in line with the market. However, the impact is likely to be felt in the forthcoming year as values reflect the full extent of the market correction.

A debt and sinking fund provision (central charge) has been made within the revenue

account in order to better represent overall IILP performance in terms of its contribution to generating additional funding for Council services.

- A sinking fund can be thought of as a savings account or contingency fund which ensures that there are funds set aside to cover one-off expenses required in the future to maintain the assets' capital value.
- A bad debt provision is a reserve used to cover the potential for incomes (e.g. rent) not being received as expected. Once a provision is established it is reassessed each year in light of what is known about outstanding monies still to be received. The value held as a bad debt provision may fluctuate as income is received to clear debtor accounts.

Net income includes centrally incurred costs which are allocated to the main direct property sectors. These costs include employee costs, bad debt provisions and sinking fund contributions. The current target level for the sinking fund to be built up over the period to 2026/27 is set at £5.1m.

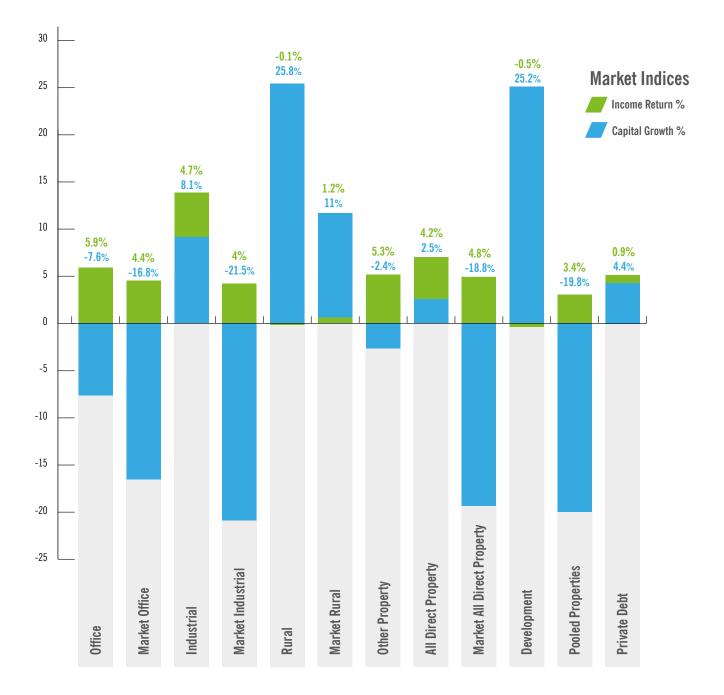
Taking into account central charges of ± 1.1 m set against the direct property portfolio the net income for the 2022 - 2023 year totals ± 5.8 m.

The net income from the direct property portfolio was £4.6m for the year. Together with the income from diversified investments the total net income was £5.8m. The net income in the previous year was £6.2m which benefited from a higher income from the pooled private debt investments within the diversifiers. In the current year ended, the total portfolio generated a net income return of 2.6% compared to the 3.2% achieved in the previous year. It is worth noting that the income return expressed as a percentage is lower at the year end, due to investments made to diversifiers (pooled infrastructure and pooled bank risk share) with a total value of £24m not having paid any significant income. This is to be expected given the timing and structure of the investments, and has been factored in to future years, as we expect the pooled infrastructure fund to provide a full year of income in the coming financial year and the pooled risk share investment to start generating income in the second half of the year.



PERFORMANCE AND COMPARISON AGAINST INDUSTRY BENCHMARK

Programme Performance

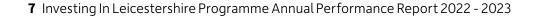




The Programme's benchmark is the "All Property" total return (capital growth plus income return) of the market benchmark monthly index. The total return for the portfolio for the year to 31st March 2023 was 6.7% compared to the target level of 6%. This represents a fall of 1.3 per cent on the previous year, but is significantly above the market level of -14.9% due in part to the nature of the assets held in the portfolio, but more importantly to the fact that the property portfolio continues to be valued as 1st October each year with the result that the value of the property assets did not suffer the full impact of the yield adjustments caused by the overriding economic conditions which prevailed in the second half of the year. However, this effect counterbalances the underperformance in capital growth in 2021/22 at a time when the wider market enjoyed sharply rising prices. Due to the full effect of the yield shift occurring after the valuation date, the value of the portfolio will likely be subject to a further downward adjustment in 2023/24.

The managed direct property portfolio (i.e., excluding the development assets, pooled property, and private debt, etc.), produced a total return for the year to 31st March 2023 of 6.7% (capital and income combined), a fall of 3.9% on the previous year. However, the direct portfolio, including the development sector produced a total return of 11.2% (up from 8.1% in 2021 - 22), both, for the reasons given above, substantially better than the of the market benchmark All Property Index of minus 14.9%.

- The office sector performed well against the market benchmark. Whilst producing negative capital growth of minus 7.6%, income return was strong at 5.9% delivering an overall return of minus 1.7% better than the market return of minus 13.0% which includes negative capital growth of minus 16.8%. Net income saw an increase of £0.5m over the previous year rising from £2.8m to £3.3m due largely to significant rental growth with the rent-free periods from earlier year's new lettings coming to an end.
- The returns from the combined Industrial and distribution sectors were 12.8% compared with the previous year at 16.6% but produced positive capital growth of 8.1% and an income return of 4.7% both of which exceeded market levels. Having fallen well short of the market return in 2021/22 due to the contraction in yields post valuation, this year saw the situation reversed with yields moving outwards in the second half of the year resulting in the market benchmark falling into negative territory at minus 17.5% including negative capital growth of 21.5% with income returns edging back to 4.0% from 4.1% in the previous year. Capital growth across the sector has also benefited from a comprehensive revaluation bringing strong uplift to individual estates values.
- The rural portfolio produced a total return of 25.7% comprising 25.8% capital growth and, with central charges exceeding net income, a minus 0.1% income return (1.3% before central charges). Accordingly, the income return fell below the market level of 1.2%. The capital growth figure, enhanced by the increased value of land at Osbaston attributable to the grant of planning permission, was well above the market level which saw freehold agricultural land prices rising sharply during the year as the sector became an increasingly attractive safe haven for investors. Agricultural land prices are by their nature less volatile than other sectors, however, there has been strong growth in freehold values over the year after several years of low growth. Investment land values have also strengthened to some extent, a trend which is reflected in the rural portfolio values.



- The alternative or other property sector produced a return of 2.9% against the minus 4.3% achieved by the market. This was largely because the portfolio holds a mixed,
- unconventional, range of assets within this sector, including the automotive garage in Leicester city, a petrol filling station in Loughborough and a supported education school which overall makes it less vulnerable to market volatility.
- The performance of the development sector saw significant capital growth of 25.2% arising as a result of a comprehensive external revaluation of all development assets. Development properties by their nature are unlikely to be generating more than nominal income during the development phase. It is therefore normal that the cost of planning and promoting schemes will exceed any income received and consequently an anticipated small revenue loss resulted in an income return of minus 0.5%. However overall, the sector showed a total return of 24.7% compared to the minimal returns achieved over recent years. The sector should continue to show positive returns as further developments are completed, generating either rental income or capital receipts.
- The pooled property investments are spread across four separate investment managers. The returns this year reflecting wider market conditions with capital change of minus 19.8% reflecting the annual change in the value of assets held by the managers. All four managers reflected capital losses of between 16% and 24%. Those managers who held higher levels of certain asset classes (such as highly valued industrials) were affected by the resultant repricing of assets as risk free interest rates in the UK rose sharply through 2022/23. Unlike the direct estate, the pooled property assets are valued as at 31st March 2023 and so reflect the full effect of the interest rate increases on property valuations. Whilst the capital values were impacted, the effect on income generation was more business as usual with near identical levels of net income produced year on year. The effect of the capital value decrease meant the income return percentage for pooled property increased to 3.4%.
- Private debt income returns were lower than expectations in the year largely due to one of the two investments holding higher cash levels rather than distributing cash to investors whilst the volatility in exchange rates persisted during the second half of 2022/23. The investment is hedged to GBP and as such additional collateral would have been needed to maintain hedges during the selloff in GBP versus USD during 2022 which at one point reached 1.04 GBP to the USD post the mini budget announcement on the 23 September 2022. As at the end of the year the health of underlying loans was as expected and as such the investments should generate overall returns in line with expectations for the investments. The since inception internal rate of return (IRR) for both private debt investments were 4.7% and 4.8% respectively.
- During the year new investments in pooled infrastructure funds and pooled bank risk share funds were made totalling £23.7m. The aim of these investments is to provide further diversification and regular income to the IiLP, which will be realised in the coming years.

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ANNUALISED RETURNS

Total – All Direct Property Portfolio (excluding development)

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	2022-23	3 year	5 year
Net Income Return	4.2%	3.7%	4.0%
Capital Growth	2.5%	5.3%	5.0%
Total Return	6.7%	9.1%	9.1%

As the IiLP has now been in operation for several years, the data for returns over the longer period better demonstrates the stability of the returns achieved by the assets in the portfolio by reducing the visible impact of any in-year peaks or troughs in performance. Over the 3 year period including 2022/23, the total return of 9.1% performed extremely well against market 3 year annualised returns of 1.2%; over 5 years, the market returns perform slightly more favourably, achieving 1.8%, but still well below that achieved by the IiLP.

Valuation Sensitivity Analysis

As outlined above, due to the timing of the annual asset valuation (as part of the corporate asset valuation), the full effect of subsequent yield movements in the half year to April 2023 are not reflected in the capital values and returns reported. Due to changes in the external valuer contract, this valuation information was not readily available for April 2023.

Internally, a simple sensitivity analysis has been undertaken of the main asset classes to demonstrate the effect of the revaluation on capital values, and consequently returns. With a new valuation consultant appointed, it is intended that the 2023/24 capital values will be revalued as at 31st March 2024 (as well as October for the corporate asset register).

Asset	Capital Value (1 st October 2022)	Effect on Capital Value against October valuation.	Adjusted Income Return	Adjusted Total Return
Office	£53.1m	-£6.9m	6.3%	-13.5%
Industrial & Distribution	£30.0m	-£0.4m	4.7%	11.3%
Rural	£24.2m	n/a	n/a	n/a
Other	£4.6m	-£0.1m	5.3%	1.6%
ALL DIRECT PROPERTY	£111.9m	-£7.4m	5.7%	1.3%



Although these calculations are high level, they clearly demonstrate that the market correction occurring in the second half of 2022/23 would have a marked effect on the overall returns achieved by the IiLP. Concentrated on the office sector, the significant decline in capital values reflects the falling demand for all types of office accommodation across the sector. However, there is evidence that demand for Grade A offices, such as LUSEP, Lichfield South and Embankment House remains reasonably strong, and it is likely that these will weather the changing market situation better than lower-grade office space.

Despite yields across the industrial and distribution rising, the portfolio's assets still fare better than the wider market due to the composition of the assets; as the IiLP holdings are outside of the large Grade A and warehouse sub-sectors (which saw significant loss of value), pre-existing higher yields for secondary and tertiary investments display a smaller proportionate shift in value.

The more slow-moving rural investment market has shown some increase in capital values, but this has largely been represented in the figures reported at 1st October, subsequent activity will have had little effect on the valuation of these assets.

However, countering the widespread fall in capital values, hardening yields does serve to improve the Income Return performance, moving this well beyond the returns achieved in the wider market across both the industrial and office sectors.

Forecasts, borne out by first quarter 2023/24 results, indicate that the trend of increasing yields has continued, however the pace of change has slowed significantly. The current market forecasts suggest this situation will continue for the remainder of the current year, only turning around later in to 2024. On this basis, the October valuation will likely show continued negative capital growth for office and industrial investments, albeit at a slower pace; revaluation as at March 2024 may well demonstrate a turnaround, however this will be influenced by wider market factors including the ongoing inflationary pressures influence on interest rates, and rental demand.

CHANGES TO THE PORTFOLIO DURING THE YEAR

Summary of Changes

During the year, the portfolio increased in value from $\pounds 206.8$ m as at 31st March 2022 to $\pounds 233.5$ m as at 31st March 2023. This increase was due to a combination of valuation changes and further investment in assets and indirect holdings, as set out in the chart below.



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[#]Direct portfolio properties valued as at 1st October 2022.

*This includes spend on farm estate buildings and the industrial premises.



TRANSACTIONS THROUGH THE YEAR

Direct property acquisitions

There were no property acquisitions during the year.

Diversified Investments

Further private debt investments to the value of £5.8m were made during the year, when balanced against repayments of £2.0m and allowing for an increase in the net asset value of the private debt investments the holding now totals to £28.7m.

In addition, investments to the total value of £23.7m have been made in Pooled Infrastructure Funds (£8.7m) and Pooled Bank Risk Share Funds (£15m).

The pooled infrastructure fund investment invests in global core infrastructure. It is relatively low risk as a result, investing into essential assets which are operational and with little investment into undeveloped markets. The investment aims to provide an income return between 4-6% pa paid quarterly with moderate capital gains.

The pooled bank risk share investment product is a mechanism that banks use to transfer the risks on existing loans, as such permitting them to hold lower levels of capital against existing loans. Because raising capital is expensive for banks, they are able to pay a healthy return to the counterparty to whom the risk is transferred to. Returns to investors in the fund come from the insurance premium paid by the bank which will be distributed quarterly to investors. There is an increased level of risk in such an investment, but this is reflected in the fact that expected returns are in excess of 8%. The returns are also directly linked to interest rates, as such there will be limited erosion of the value of returns in the light of increases to interest rates.

Pooled Property

There were no transactions completed during the year.

Property Disposals

Two property disposals were completed during the year and resulted in total capital receipts of £230,000 through the sale of a small area of access land on the Kilby Farms Estate and a residential property, 5 Cotton Croft, Shepshed.

In addition, to the above there are a number of substantial disposals in the pipeline, most notably the residential element of the development site at Sysonby Farm, Melton Mowbray which having been declared surplus, marketed and contracts exchanged this part of the property was transferred out of the portfolio at a value of £9.4m (a deposit of £458,500 being paid on exchange) being regarded, for asset management purposes, as an asset held for sale. Together with the residential site at Barton Road, Barlestone where planning permission has been secured and the property marketed combined receipts in excess of £12m will accrue in future years.

Property Transfers

Apart from the transfer of the land at Sysonby Farm, outlined above, no transfers have been made during the year.



PORTFOLIO REVIEW

Current Yield

The current yield from the direct managed portfolio is 4.0% (5.1% in 2022) somewhat below the market benchmark national figure of 5.2%, largely due to the impact of sinking fund and debt charges on the rural estate's income. The portfolio's overall yield is impacted by a low yield from the development assets which has a disproportionate sector weighting compared to other portfolios meaning that overall the portfolio will likely always fall just below the benchmark until such time as those developments are completed and become income generating or are released from the portfolio.

Sector Proportions

Although there have been relatively few direct property transactions during the year, the further purchases of diversifier assets and movements in value have resulted in further shifts in the sector weightings as illustrated earlier in the report. Whilst the long-term aim is to maintain a balance between sectors that reduces risk and maximises the potential for achieving financial resilience in the shorter term, in considering future acquisitions, the Programme will continue to focus any property purchases on assets that address market failure and provide wider economic and community benefits and the capability of contributing to the achievement of the County Council's strategic goals as well as a long-term income stream as set out in the IILP Strategy.

Rent Reviews, Lease Expiries and Tenant Only Breaks

There are 3 rent reviews, 40 lease expiries and no tenant-only break options that are falling due in 2023/24, of which 3 relate to assets earning in excess of £30k per annum. Whilst the negotiations regarding rent reviews and lease renewals form part of normal day-to-day property management, the particular circumstances of individual leases means that it is not always appropriate to action these as they fall due. In the year being reported there were 11 rent reviews undertaken, with a further 27 remaining to be agreed or held in abeyance, 75 leases expired and remain holding over either pending renewal leases or for other reasons; in many cases the rent review and lease expiry are linked events. During the same period, 14 new lettings were agreed.

New Major Lettings

Over the 2022/23 year the following major new letting(s) were achieved:

 7 Apollo Court, Coalville - £32,625 per annum rent (previous Tenant vacated on break notice)
 17 Apollo Court, Coalville - £37,250 per annum rent (previous Tenant vacated on break notice to expand to larger premises)
 Oback Cottage Farm, Misterton - £14,400 per annum rent (11-acre smallholding)

Future Investments

During 2022/23 the future funding made available through the Medium-Term Financial Strategy (MTFS) additional investment was committed to continuing the delivery of the following developments; these will have the effect of further transforming the portfolio, achieving excellent rates of return, delivering significant additional income, and contributing to the realisation of wider strategic goals.

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Leaders Farm South, Lutterworth

Background

This site formed part of the County Farms portfolio and was identified as having possible office and industrial development potential some years ago.

Following extensive marketing of the site demand has been identified for roadside and storage uses. Two major roadside food and drink retailers expressed an interest in a parcel of land, extending to 1.6 acres at the north-western corner of the site. Whilst a departure from the Local Plan, because of a lack of demand for the Class B1 – office uses, the prospective tenants have been successful in securing planning permission for the proposed drive through units.

The drive-through units will generate an income of £190k pa. A contractor is currently being procured to build the new units. It is anticipated practical completion will be June 2024.

The future development of the balance of the 6.1-acre site is now being progressed for Light industrial/ Distribution use. Again, this would be a departure from the local plan. If the County Council is successful in obtaining planning for the employment units, they are projected to generate a rental income of circa. £215k pa. The overall construction cost is projected to be in the region of £6m (including the £2.5m already spent on the estate roads and services) giving an expected income return of c.5.3%.

Airfield Farm Business Park (Phase 3)

Background

Following completion and the successful launch of Phase 2 of the new industrial development at Airfield Farm Business Park, a masterplan has been drawn up for the final phases and a planning application for the next 82,436 sq. ft. of industrial units was submitted in July 2021. The application, as yet, has not been determined. The site is allocated in the Harborough Local Plan for a mix of B1, B2 and non-strategic B8 development. The delay to the application being caused by the fact that it seeks to depart from the local plan policy by not providing any office space as part of the development.

The proposed development reflects a general lack of demand in the market and in this site and despite marketing over a six-year period no potential occupiers have come forward. This has now been accepted and, subject to agreement of design principles, the application will move forward to determination.

As a consequence of substantial increases in construction costs since submission the scheme, as proposed, is no longer viable. Accordingly, a revised strategy and masterplan has been developed to ensure adequate returns are secured from the final phase of development.

The potential exists to deliver a viable 105,794 sq. ft. development on 7.69 acres of the site; 102,194 sq. ft for E class light industrial units (formerly known as B1 use) and 3,600 sq. ft for two Drive-thru units (Sui Generis). An indicative masterplan has been produced which incorporates within the layout one 60,000 sq. ft unit and the two Drive-thru units, for which end users have already been identified, plus a range of starter and grow on units of between 1,500sq ft and 10,000sq ft. being those elements of the original proposal for which there is a strong market demand and remain viable.

A planning application will be submitted for the revised proposal in September 2023 following the receipt of Pre-application advice. Thereafter it is envisaged the scheme will proceed as follows:

October 2023	Submission Regulation 3 planning application to the County Council
September 2023	Commence formal marketing of unlet units
March 2024	Planning permission secured
September 2024	Appointment of contractor
January 2025	Commence construction
February 2026	Practical completion of the scheme
February 2026	First occupation of units

The cost estimate is currently £16.5m (including a 10% contingency) and has an estimated annual rent roll from Phase 3: £1,075,000 producing an estimated income return of 6.8%.

Solar Farm Development, Quorn

Background

The proposal, for which planning consent has now been granted involves the development of a 10MW solar farm on County Farms land at Quorn. In addition to the financial benefits detailed below once developed the scheme will have the capability of off-setting more than 2,000 tonnes of CO2 annually which is greater than the total carbon emissions of all County Council buildings.

The work required to discharge all precommencement planning conditions including further on-site archaeological investigations has commenced this summer. Tender

documents are currently being finalised with a view to seeking formal tenders Autumn 2023 and appointing a contractor by December 2023 enabling construction work to commence on site in summer 2024.

- **Completion Date:** Target Summer 2025
- **Build Cost:** £10.0m subject to confirmation from formal tender
- **Based on current market prices estimated net annual income:** £900,000 (for a 5 year power purchase agreement)
 - **Current estimated income return:** 9.0%

Development Sites

The Fund holds a number of assets within the portfolio that have been expressly retained or purchased with a view to realising their development potential in order to realise capital receipts or wider finance benefits to support the Council's capital and revenue programmes.

Sysonby Farm, Melton Mowbray

Outline planning permission has been granted for 290 dwellings, a primary school and local centre by Melton Borough Council on 23rd December 2020: the site forming part of the Melton North Sustainable Neighbourhood. Subsequently, the residential element of the site has been marketed and a sale agreed which is due to be completed at such time as the site access is delivered as part of the Melton Mowbray Distributor Road scheme. The school site will transfer to the Children's and Families Service.

The site of the proposed local centre has been marketed. Offers, which would also secure the delivery of either an Extra Care Scheme or a private nursing home are currently being considered. The allocated employment land to the north of the MMDR will be brought forward and as a depot site for the County Council's Environment and Transportation department upon completion of the MMDR.

Lutterworth East

The allocation of the East of Lutterworth SDA comprising 2,750 dwellings, 23 hectares of B1, B2 and B8 employment land, a community hub, two primary schools, 110 hectares of open space including a country park together with substantial highways infrastructure was secured as part of the Harborough Local Plan which was adopted on 30th April 2019.

A hybrid planning application (in outline for the residential and commercial development and in detail for the spine road and other highways infrastructure works) was considered by Harborough District Council's Planning Committee on 28th July 2020. The planning committee resolved to grant planning permission subject to conditions and the completion of a section 106 Planning Agreement.

The Section 106 Agreement was completed, and the decision notice issued on 17th May 2022, however, University Hospital Leicester lodged an application to seek a judicial review of the district council's decision. After an appeal, their challenge was dismissed.

Now that the judicial review has been rejected, the procurement process has been restarted with some initial soft market testing. The outcome of this is that there is still an interest from the private sector developers for the site, however, funding for the initial infrastructure requirements of circa £120m is going to be challenging. It is anticipated the procurement of a Joint Venture partner will commence January 2024.

Whilst the search for a delivery partner has re-started, it is important to recognise how the context for the proposed development has changed since the application was submitted over 4 years ago. the impact of COVID on where people work (less office space needed) and escalating costs due to build cost price inflation (as well as the lack of grant funding for this 'over ready' scheme), has made the scheme unviable in its current form. Productive discussions with the planning officers at Harborough District Council have already commenced to agree a way forward to improve the scheme's viability and ensure that the district benefits from the delivered houses that it had provided for in its Local Plan.

M69 Junction 2 – Stoney Stanton

Following the Cabinet decision in March 2020, work has been progressed on the promotion of 103 acres of County Council land as part of a larger residential-led mixed-use development of up to 5,000 houses. Working in collaboration with other landowners and their developer partners, submissions have been made to Blaby District Council's Call for Sites and Issues and Options consultation and work is ongoing to provide the necessary evidence base to support the sites allocation as part of the emerging Blaby District Local Plan. The local plan process has been significantly delayed with the result that the Regulation 19 Pre-Submission consultation is not now likely to take place until September 2024 pushing the likely date of adoption back to autumn 2025. Subject to the scheme being included as a proposed allocation in the Pre-Submission Draft, it is currently proposed that an outline planning application be submitted in January 2025 in advance of the Examination in Public. The timing of surveys and site investigations is now being geared to the revised timetable.

Throughout the process, the Landowner Consortium has engaged with Blaby District Council, key stakeholders, and the local community, including the establishment of a community liaison group the feedback from which is being used to help shape the master planning of the scheme.



Other potential sites

A further pipeline of development sites is being brought forward on an ongoing basis largely through the local plan process, by their submission to Call for Sites consultations at the start of the plan review process and thereafter by making appropriate responses to the further consultations. By securing future local plan allocations, investment returns, and a stream of capital receipts will be maintained.

In addition to potential residential and employment opportunities sites with potential to support the delivery renewable energy infrastructure or bio-diversity gains are also being identified and will form an integral part of the pipeline of future sites.

Voids

In the year to March 2023 the level of voids increased marginally from the 2022 level of 2.5% to 3.0%; the low level reflecting the continuing strong demand in the market for the types of premises LCC holds and compares very favourably to a market rate of 10.6%; currently there remains a small number of 24 units vacant across the portfolio totalling 23,058 sq. ft.

Despite a healthy turnover of units, the strong demand suggests that the low level of voids can be maintained, subject to there not being a significant downturn in the wider economy.

Rent Arrears (Direct Portfolio)

As of 31st March 2023, total 90-day debt amounted to £1.3m which equates to 18.9% of gross portfolio income and although systemic debt is greater than previous years, rent collection remains in line with wider industry performance especially during the ongoing turbulent economic conditions with over 63% of rural rents and 53% of industrial and office rents collected on time for Q4. Recent reporting suggests that the rent collection in the wider market has suffered from the impact of worsening conditions in the economy, with 63% of rents collected on time for Q1. This figure is not directly comparable with the IILP performance due to the range of collection due dates within the portfolio but illustrates that the whole property sector is under pressure as tenants struggle. Payment of all outstanding debts is being actively pursued through debt management procedures.

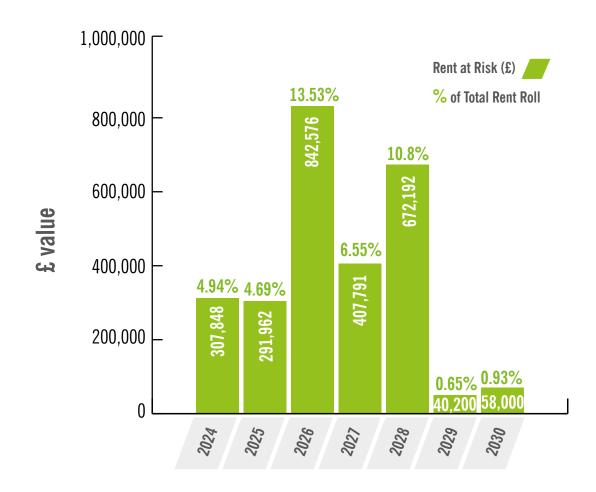
It should be noted that around a fifth of the outstanding debt relates to a single property, with issues arising from the transfer of Ministry of Justice financial management to the Government Property Agency (GPA). Whilst there is minimal risk of the debt not being paid, the issues continue with both Finance and Estates colleagues in regular discussion with the GPA to provide the relevant information and bring about a resolution. Alongside this, there are a small number of long-term debtors on the rural portfolio where solutions to accelerate debt recovery and terminate tenancy arrangements are being brought forward.

In the longer term as the proportion of properties devoted to economic development continues to fall in line with the Programme's strategy, the covenant status profile should improve further reducing the exposure to debt risk.

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Lease Expiry Profile (Direct Portfolio)

The table below illustrates the profile of rents receivable from leases expiring in each year within the portfolio over the next 7 years both in terms of rental value and a proportion of total rental income. Where a tenant has an option to break within a lease, the worst-case scenario that the tenant will exercise such an option is assumed, whereas in practice it is likely that not every tenant will elect to do so.



The largest figure in the table above, and presenting the greatest risk to the portfolio, relates to the 2026 financial year when two leases at Embankment House, Nottingham and 10 of the 17 leases at Apollo Court, Coalville expire. In accordance with usual practice, it is proposed to engage with the tenants at an early date with a view to agreeing lease renewals.



Firs Farm, Husbands Bosworth

As reported in previous years, the portfolio has been engaged with remediation and land restoration following the illegal dumping and disposal of non-hazardous waste at Firs Farm, Husbands Bosworth.

Following detailed consultation with the Environment Agency the specification for the removal of the waste was agreed and the contract let at a cost of £2.3m, (which is within the original cost budget) and works commenced on site on 26th June 2023. Completion is programmed for late September 2023 at which point the land will be returned to a condition suitable for agriculture and made available for re-letting as a livestock holding.

Although events such as this are rare, a sinking fund was established (together with the debt provision) to meet or contribute towards the costs of unforeseen expenditure such as that incurred at Firs Farm. The annual contribution to the sinking fund ensures that the potential for unforeseen events is recognised and the impact from an event can be absorbed. The sinking fund accrued over previous years, together with additional funds reserved in 2021/22 are expected to cover the full costs of the remediation and restoration of Firs Farm.

The experience gained from this incident will inform a review of the processes of management and re-letting, which following an initial internal appraisal, is now being expanded by external consultants to ensure the most robust structure possible is in place to further reduce the potential of a similarly damaging incident in the future, and strengthen the management procedures and processes in place for the wider benefit of the portfolio and County Council.

Environmental, Social, Governance Reporting

In line with most other "funds", and reflecting the refreshed focus for the programme, the IiLP is looking to establish a reporting structure for non-financial outcomes. The reporting will feature aspects of environmental, social and corporate governance (ESG), in line with the emerging market norms.

The IiLP portfolio is well placed with a diverse range of assets across a wide, strong performing, economic area to deliver robust outcomes against the main target areas identified and connect with the wider corporate aspirations and strategy.

Environmental: Climate risk, carbon emissions, green supply chains, energy consumption, biodiversity, and habitats.

Social: Health, wealth, safety, diversity

Governance: Corporate governance

Whilst the wider market is establishing reporting mechanisms, and key benchmarks for some elements of ESG reporting, the individual portfolio performance will be very dependent on the nature and composition of the assets comprised in a portfolio. To best represent the IiLP performance during the development phase of this reporting it is proposed to demonstrate year on year performance where possible.

PROPERTY INVESTMENT MARKET REVIEW

Economic Conditions

Most recent GDP estimates from the Office for National Statistics indicate that the UK avoided recession at the end of 2022 with the economy stabilising in the final quarter, following a 0.2% contraction in Q3. However, monthly figures showed a significant economic slowdown in December, with GDP contracting by 0.5% m/m with the economy returning to growth (+0.3% m/m) in January 2023. Thereafter the economy has continued to show resilience to higher interest rates with UK GDP increasing by 0.1%q/q in Q1 2023, following a 0.1% q/q rise in Q4 2022. The UK has therefore avoided recession for now which had been predicted by the Bank of England in November last year. Whilst monthly figures continue to fluctuate overall it is considered that there will be continued albeit very slow growth.

Annual retail sales volumes fell by 3.0% in 2022, which is the largest decline since data records began in 1997 and follows a solid 5.2% increase in sales volumes in 2021. At the same time, retail sales values in 2022 were 6.8% higher than in 2021 which is a direct result of higher prices. However, indications are encouraging with retail sales volumes rising by 0.4% m/m in April and whilst they remain weaker than a year ago, the April shortfall was the smallest in just over a year. In addition, consumer confidence continues to improve, reaching a 15-month high in May.

Having increased marginally to 3.8% over the past 3 months the official unemployment rate still remains extremely low by historical standards. The number of people in employment is now back above pre-pandemic levels. However, the number of job vacancies continues to slowly decline with evidence that people in the 50+ age brackets are returning to the workforce. Due to the tight labour market wage growth remains strong but real wages continue to fall.

CPI inflation reached a peak of 11.1% in October 2022 but had fallen back to 8.7% in April and May with latest forecasts suggesting it will continue to slow throughout this year. Given higher than expected inflation, a tight labour market, and a resilient economy, the Bank of England may continue raising interest rates from the current 5.25% rate over the coming months. Financial markets are currently pricing in a peak in the base rate of 5.75%, but most forecasters expect rates to peak at a lower level.

Economic Outlook

High inflation and elevated mortgage rates will limit household spending and the global economic slowdown is likely to limit business investment in 2023. June HM Treasury consensus forecasts suggest the UK economy will avoid an outright GDP decline in 2023, growing by 0.3%.

The Bank of England's central forecast now suggests a peak to trough decline in GDP of -0.8%, which is significantly milder than the 2.9% decline published in its November report. The economy is then expected to grow by around 1.0% in 2024.

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Investment Market

The 2022 full-year investment figure of £60.6bn was marginally above the five-year average of £59.4bn. However, following a very strong first half of 2022 during which £35.9bn was transacted, quarterly investment volumes slowed to £14.5bn in Q3 and to £11.3bn in Q4, marking the slowest end to a year since 2008 being 40% below the five-year Q4 average of £19bn. This trend has continued into 2023 with quarterly investment volumes slowing further to just under £10bn in Q1 2023, 35% below the five-year quarterly average of £15.1bn. While office and industrial investment volumes were both around 40% below their respective five-year averages, retail investment was 23% above average.

The All-Property benchmark equivalent yield softened by 0.8% in Q4 2022, having already moved out by 0.3% in Q3. according to the quarterly MSCI index. However, early evidence at the start of 2023 suggests that the outward shift in yields has slowed; the Q1 2023 outward shift was only 0.1% to 6.2%.

Property Market Forecasts

Having increased by 16.5% in 2021 all property total returns suffered a 9.1% decline in 2022, the steepest drop since 2008. Capital values fell by 12.8%, with particularly steep declines across the industrial sector (-17.4%). Equivalent yields moved from 4.90% in Q2 to 6.1% by the end of 2022. Further, although much milder, outward movement has continued into moving to 6.2% in Q1 and potentially could continue into Q2 2023 before yields stabilise with some scope for re-compression in the second half of 2023. The All Property yield is forecast for the end of 2023 at 6.2% and then it will begin to fall in line with anticipated drops in both gilt yields and interest rates.

As detailed in the table below it is now expected that total returns of 4.2% will be achieved in 2023 and 10.6% in 2024. Over the 2023-2027 forecast period, All Property total returns will average 8.3% pa. with Industrial (10.0% pa) and Retail Warehouses (9.0% pa) outperforming the other sectors.



All Property Forecasts

	Dec 2023	Dec 2024	Dec 2025	5 years to 2027
Rental Growth (% pa)	2.1	2.3	2.6	2.6
Yield (%)	6.2	6.0	5.8	5.7
Capital Growth (% pa)	-0.3	6.1	5.3	3.9
Total Return (% pa)	4.2	10.6	9.7	8.3

Whilst property values in the main real estate sectors declined in 2022 and may continue to do so in the early part of this year agricultural land, often regarded as a safe haven during uncertain economic times and a good hedge against inflation, remained resilient with prices for freehold land rising 11% over the past 12 months.

The property yield/gilt spread narrowed to a 15-year low of 2.44% at the end of 2022 but is expected to widen again from 2023 onwards. By the end of the forecast horizon in 2027, the gap will stand at 3.32%.

Office investment, in common with the market generally, was 24% below the 5-year average in 2022. However, the uptake of office space increased by 22% returning to the 10-year average before slipping back in Q1 2023. However, the demand for Grade A space continues to exceed supply with selected pre-lets achieving "premium" terms. Occupier appetite for quality over quantity is starting to feed through into revision of size requirements by blue chip companies. This may further impact 2023 transaction levels which will likely reduce year-on-year.

All office returns fell by 9.8% in 2022, marking the steepest drop since 2008 when returns declined by 22.8%. While rental growth of 2.2% was sustained last year, yields rose by almost 1% in H2, resulting in a 13.2% decline in capital values. It is anticipated that yields will continue to rise over the year, ending 2023 at 6.7%, up from 6.5% at the end of last year. Office rents will fall this year because of the anticipated recession although there are large differences between prime, where rents are stable, and secondary/tertiary where rents are expected to decline. Total returns growth is predicted to be modest this year at 1.3% before accelerating to 7.3% in 2024. Over the forecast horizon to 2027 total returns growth will average 6.1% per annum.

Whilst investment in the Industrial and Logistics sector was 23% above the 5-year average in 2022 there was sharp decline in the H2 following a strong start to the year. Demand for space was also well above the long-term average, without reaching the record figures of 2021, resulting in continued double digit rental growth across many regions including the East Midlands. However, this is predicted to fall back to 3.7% in 2023 with an average of 4.2% per annum in the period to 2027.

Yields rose faster than had been anticipated in Q4 2022 ending the year at 5.6% resulting in a sharp decline in values. Further small rises are anticipated in Q1 and potentially Q2 2023 before stabilising and re-compressing towards the end of the year. Beyond 2023, yields will compress, moving from a predicted 5.70% at the end of 2023 to around 5.00% by the end of 2027.

All Industrial total returns fell by 14.6% in 2022 but are expected to return to 6.0% growth in 2023. Total returns growth will then accelerate to 13.4% in 2024 and remain in double-digits until the end of the five-year forecast horizon.

The pricing adjustment of the Retail sector due to long term structural changes experienced over the past few years looked to be coming to an end. All retail equivalent yields having reached a recent high of 6.8% in Q4 2020 had compressed to 5.7% in mid-2022 driven by sharp yield movements across retail warehouses and supermarkets. However, the wider economic and investor uncertainty later in the year resulted in yields shifting back out to 6.6% in Q4. Given the sharp pricing adjustments that have already taken place some segments appear to have stabilised and therefore All retail yields are expected to end this year at 6.6%. Yields will then move in to 6.4% in 2024 and continue to compress slowly thereafter with Retail Warehouses seeing the sharpest fall in yields over the forecast horizon.

Total returns fell by 4.8% in 2022 but, driven by income return, will return to growth of 5.8% this year as capital values remain flat. Over the 2023-2027 period, total returns growth will average 7.9% pa, driven by Retail Warehouses at 9.0% pa.

Whilst constrained by a limited supply of investment opportunities Rural Property remains a safe haven for investors, with income returns of 1.2%, increasing capital values, especially for freehold assets, and the prospect of modest long-term capital growth achieved through the realisation of development potential.

Investment in, demand for and the general performance of the alternative sector in 2022 mirrored that of the market generally. A strong demand for investments in segments such as student accommodation in the H1 2022, which supported an average level of transactions over the year, declined sharply in Q4; a trend that appears to be continuing into 2023 especially in the leisure and hotel sector. Yields increased across the sector by 0.8% - 1% in H2 2022 resulting in negative capital growth with the further outward movements in Q1 2023 likely to impact returns this year.

In common with the market in general it would appear that the market for pooled property investments is also beginning to stabilise following significant falls in value and negative returns in 2022. However, the level of returns going forward are likely to remain modest as the wider economy continues to face challenging conditions with inflation and interest rates remaining high making gilts and other alternative investments more attractive.

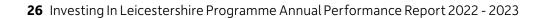
Investment Strategy Update

The Portfolio Management Strategy for 2023 to 2027 is aimed at supporting the development of the Portfolio to further enhance its contribution to the delivery of strategic goals whilst continuing to improve the Council's financial resilience as demand on services and operating costs continue to rise. It outlines how the Council will look to direct investments during this period developing the Portfolio to address areas of specific economic or social market failure and how it will manage these to help achieve the strategic priorities of the Council.

The Strategy is an integral part of the Council's Medium-Term Financial Strategy (MTFS) and intrinsically linked with the Corporate Asset Management Plan (CAMP) and the Treasury Management Strategy and Annual Investment Strategy and it should be read in conjunction with these documents.

The specific aims of this Strategy are to ensure investments funded or held in the Portfolio:

- Support the objectives of the Council's MTFS, Corporate Asset Management Plan, Strategic Plan, its Economic Growth Plan, and the County-wide Local Industrial Strategy.
- Support growth in the county and its economic area of influence and ensure there is a more diverse range of properties and land assets available to meet the aims of economic development.
- Maximise returns on Council owned property assets
- Supports the delivery of front-line services through increased income generation from existing investments, or through capital investments that will reduce operating costs.
- Maintain a diverse portfolio of energy efficient and sustainable direct property and other investment assets which support economic growth and environmental sustainability
- Support the Council's strategic objectives by working with partners to maintain momentum in the development of strategic sites and renewing existing employment sites and premises where there is demand thereby addressing areas of market failure.
- Contribute towards the development and implementation of a Net Zero Carbon 2030 Plan for the Council by reducing demand for energy and increasing the generation and use of renewable energy
- Channelling new investment into schemes that:
- Maximise the potential to address economic and social market failure
- Improve property assets for a direct strategic/policy purpose
- Enhance the value and marketability of property assets enabling capital receipts to be used to support improved service delivery
- Manage investment risk by investing in diverse sectors.
- Support the Council in maximizing the benefit from its financial assets in a risk aware way (not including standard treasury management activity)



The implementation of this strategy coupled with the development of robust performance monitoring measures will ensure that the portfolio operates effectively and delivers value for money.

The Programme's strategy continues to be reviewed annually and an updated strategy will be incorporated within the Medium-Term Financial Strategy which will be considered by Cabinet and full Council later in the year.

Rural Estate Management Review

In parallel with the strategy update an internal review has been undertaken in respect of the management procedures and processes for the rural estate with the aim of ensuring these reflect current best practice and continue to be fit-for-purpose and reduce risk in the current financial climate, and in to the future with expected changes in agricultural, environmental and rural policy.

The review examined a number of areas that it was considered could be enhanced in order to mitigate future risk. Broadly, these fall into the following categories: -

- Frequency of farm inspections, the enforcement of tenant's obligations and monitoring of tenant performance.
- Re-letting procedures.
- Tenancy Agreement terms and conditions.
- Ongoing financial checks.

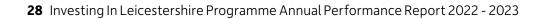
As a result of the review the following measures have been actioned or are in progress to reinforce and update the management of the rural estate:-

- Recruitment of additional staff resource is now underway which will enhance the frequency of farm inspections and help improve the monitoring of tenant performance and compliance.
- Routine farm inspections are being increased, on a risk assessed basis, with newer tenants, those in arrears, or displaying any other risk factors, being targeted for more frequent formal visits, at least annually, and depending on the risk assessment and any frustrating factors, more often provided this does not breach the Landlord covenants in the tenancy. A formal reporting record will be re-established, which will also include notes of third-party status reports, etc. Regular drive-by inspections are undertaken of most farms currently, but these will be recorded more rigorously. The lowest risk tenants will be visited in the next 12 months to re-establish the baseline for future visits.
- The Council's standard farm business tenancy agreement has been reviewed by external legal advisors to ensure that terms appropriately reflect statutory changes since the last internal review, alongside some minor adjustments to the legal drafting they have recommended enhancements to the break clause provisions to enable a more robust response in the event of issues arising during the course of a tenancy. Further advice is being sought on provisions for forfeiture and how best to deal with breaches of the rent covenant.

- Modifications to the re-letting procedure, including the requirement for guarantors and deeper financial checks, have been put in place and will be applied to all future lettings. The main elements of the reletting process, in-line with industry practice, will remain in place, subject to any developments proposed in the external review, with the applicant expected to provide a substantial supporting application including background information, financial records (including capital position) and references.
 - The reletting procedure follows the industry norms, together with the specific statutory requirements relating to Council owned farms. The letting opportunity is advertised, both in the national farming press and on the Council website. Applicants are expected to attend a viewing day, inspect the farm and put together an outline business plan with supporting information for initial shortlisting. The shortlisting process is undertaken internally against a pre-established selection criteria tailored to the farm opportunity. Following shortlisting 4 or 5 applicants are invited for formal interview, providing additional supporting information (including that outlined above), a full business plan setting out their proposals for the first three years of the tenancy. The interviews are conducted at County Hall and are supported by an external, independent, agent who provides a final recommendation report for the selected tenant, based out the scoring outcome from the assessment matrix and the interviewee performance and explanation. Prior to final appointment a review of financial references, personal references and current farming activities (including, where appropriate, farm inspections) is undertaken.
- Additional support is being put in place the ensure that ongoing financial information is available in a timely manner and the system of regular financial checks actioned. Coupled with this, finance resource is being tasked to support debt monitoring and collection across the rural portfolio to help ensure that irregular, and small value arrears does not become a greater problem, and help manage the existing debtors to ensure timely responses to escalation or initiation of legal responses (where appropriate).
- Internal, cross departmental, communication channels have been improved to ensure that relevant information relating to tenant's actions or failures is acted upon at an early stage, thereby helping to reduce the risk of problems escalating with damaging outcomes.

Building upon the initial assessment, an external review of the management of the rural estate (independent of any wider review of IILP Strategy due later this year) is currently being undertaken to challenge existing practices and provide confidence that the systems and processes for management together with the measures outlined above meet current industry standards, best practice and reflect the requirements of the changing regulatory frameworks and expectations for future management of a diverse, leased, rural portfolio. The review will also look for opportunities to further improve economic and social returns and improve alignment with the wider county council objectives.

Whilst the focus of the current review is the rural estate and some of the management recommendations will have wider application, it is proposed that a similar review of the management practices and letting arrangements be undertaken across the wider commercial portfolio to ensure that these are also meeting the requirements and expectations of a modern mixed asset portfolio.



GLOSSARY

Yield: Yield is the net income (i.e., rent passing) expressed as a percentage of capital value. (Net Income)/(Opening Value). In the context of this report, yield is used as a valuation comparator rather than solely as an expression of returns.

Net Income Return: Net Income Return is the net income receivable expressed as a percentage of capital employed. This differs from the Initial Yield as it considers costs of ownership, including capital expenditure. (Net Income)/(Opening Value + Capital Expenditure).

Capital Growth: Capital Growth is the increase of the capital value, net of capital expenditure or income expressed as a percentage of capital employed. (Closing Value – Opening Value – Capital Expenditure + Capital Receipts)/(Opening Value + Capital Expenditure)

Total Return: Total Return is the sum of the Capital Growth and Net Income Return.

All Property Yield: All Property Yield is most commonly a calculation of the Initial Yield taking account a range of property asset classes (i.e., a portfolio yield)

Sinking Fund: A sinking fund is an accounting device whereby funds are held on the balance sheet to offset or mitigate possible future costs incurred such as major incidents, significant revenue expenditure, etc.

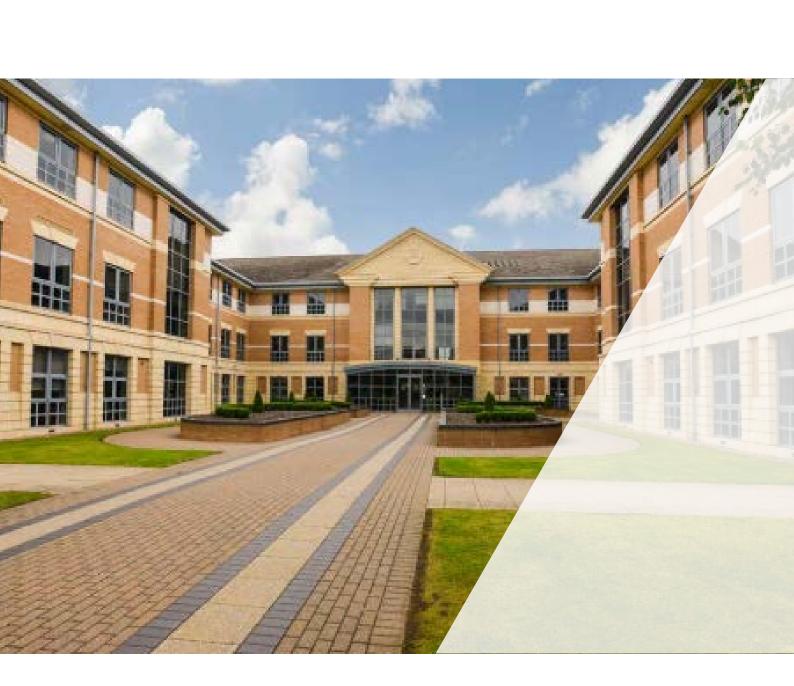
Bad Debt: Bad debt is taken as any debtor account (most likely rent) which has remained due beyond 6 months. A bad debt provision is held against the debtor sum, and when the debt is cleared the provision is credited back to the revenue account. **Rent Review:** Commercial and agricultural leases usually allow for periodic review of rents. Most commonly on a 3 year cycle, the rent due is reviewed by negotiation and reference to comparable rents or a statutory formula. Occasionally rents will be reviewed by reference to RPI or other inflationary measures, although these are less common for the types of assets held by liLP.

Lease Expiry: Most commercial and agricultural leases do not automatically terminate on expiry but continue to "hold over" with the tenant bound to perform the obligations of the lease. There is no specific requirement to renew the lease, but the tenant usually gains a more flexible position in respect of notice to quit provisions. The Landlord remains bound by statutory restrictions on termination such as grounds for notice or time limitations.

90 Day Debt: For LCC KPI purposes, debt over 90 days past due is performance benchmarked.

Voids: Where commercial or agricultural property is vacant but physically capable of being leased or occupied it is classified as a void; property which does not meet statutory requirements for letting and is pending refurbishment, or unoccupied but leased is not included within the void figures.

Rent Roll: The rent roll is the total annual income achievable by the property without deduction for rental allowances (i.e., rent-free periods) or other incentives, back-dated charges, premiums, or non-rental charges.









CABINET – 15TH SEPTEMBER 2023

AIRFIELD BUSINESS PARK DEVELOPMENT PROPOSAL - FINAL PHASE

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

<u>PART A</u>

Purpose of the Report

1. The purpose of this report is to advise the Cabinet of the development proposals for the revised final phase of Airfield Business Park in Market Harborough (Harborough District) and to seek approval for the allocation of resources necessary to support the submission of a planning application for light industrial units covering a further 105,974 sq. ft. of the site, to proceed to tender to construct the final phase of the scheme covering most of the site and, subject to the outcome of that tender exercise, for the Director of Corporate Resources to proceed with the development.

Recommendations

- 2. It is recommended that:
 - (a) £16.5m be allocated from the Investing in Leicestershire Programme for the further development of 105,974 sq. ft of Airfield Business Park ('the development') as detailed in this report and the appended indicative Masterplan, subject to the satisfactory outcome of the tender exercise referred to in b) below;
 - (b) That a tender exercise be undertaken for the construction of part of the development:
 - (c) That the Director of Corporate Resources be authorised
 - i. to undertake all necessary preparatory work to enable the submission of a planning application for the proposed development;
 - ii. following consultation with the Cabinet Lead Member for Resources, to consider the outcome of the tender exercise in respect of the

development and determine whether to proceed with the development;

subject to (ii) above, to select a preferred contractor(s) and enter into such contracts and undertake such work as is necessary and appropriate to enable the development to be delivered.

Reasons for Recommendation

- 3. The development of the Council-owned land will support the delivery of both new business accommodation, completion of the final development phase of a brownfield site, generation of local job opportunities, support the local economy and delivery of income generating assets.
- 4. Undertaking a formal tendering exercise will ensure that the Council secures the most competitive build cost price.
- 5. The delegation to the Director of Corporate Resources, following consultation with the Lead Member for Resources, is sought to enable the development to proceed immediately, subject to a satisfactory outcome to the tender exercise.

Timetable for Decisions (including Scrutiny)

- 6. The Scrutiny Commission will consider a report on the proposed development at its meeting on 6 September and its comments will be reported to the Cabinet.
- 7. Subject to approval by the Cabinet, it is intended that a planning application will be submitted to the County Council as planning authority in October 2023.
- 8. Subject to planning permission being granted and the successful outcome of the tender exercise, it is intended that the development will be completed by January 2026 unless market conditions indicate that revisions to the scheme are required.

Policy Framework and Previous Decisions

- 9. The County Council's Medium Term Financial Strategy (MTFS) is the key financial plan for the Authority. The latest MTFS for the period 2023/24 to 2026/27 was agreed by full Council on 22 February 2023.
- 10. The capital programme included an initial allocation of £8.4m for this scheme. The plan also included an allocation for new investments totalling £37m over the term of the MTFS period and this will be used to fund the increase in funding requested. The increase in funding required for this particular scheme is due to:
 - a. An increase in construction costs since the original scheme was brought forward for approval in March 2021.

The industrial element of the scheme has increased in floor area from 84,000 sq ft to 105,974 sq. ft and the proposal now includes two drive-thru units.

- 11. The expected maximum holding of the Investing in Leicestershire Programme (IiLP) remains at £260m, subject to satisfactory business case, as per the approved IiLP strategy.
- 12. The County Council's Strategic Plan 2022-26, supported by the Enabling Growth Plan, sets out the Council's objectives for the rationalisation and utilisation of its assets, maximisation of capital receipts, facilitating the delivery of affordable and quality homes and building a strong economy, generating economic growth.
- 13. The Council's Investing in Leicestershire Programme Strategy (the latest iteration of which was agreed by the full Council as part of the MTFS in February 2023) requires this Fund to be used to add to the Council's portfolio of land assets to:
 - Support the objectives of the Council's MTFS, Corporate Asset Management Plan, Strategic Plan, its Economic Growth Plan and the County-wide Local Industrial Strategy.
 - Support growth in the county and its economic area of influence and ensure there is a more diverse range of properties and land assets available to meet the aims of economic development.
 - Maximise returns on Council-owned property assets.
 - Support the delivery of front-line services through increased income generation from existing investments, or through capital investments that will reduce operating costs.
 - Maintain a diverse portfolio of energy efficient and sustainable direct property and other investment assets which support economic growth and environmental sustainability.
 - Support the Council's strategic objectives by working with partners to maintain momentum in the development of strategic sites and renewing existing employment sites and premises where there is demand thereby addressing areas of market failure.
 - Contribute towards the development and implementation of a Net Zero Carbon 2030 Plan for the Council by reducing demand for energy and increasing the generation and use of renewable energy.
 - Channel new investment into schemes that:
 - Maximise the potential to address economic and social market failure.
 - Improve property assets for a direct strategic/policy purpose.

- Enhance the value and marketability of property assets enabling capital receipts to be used to support improved service delivery.
- Manage investment risk by investing in diverse sectors.
- Support the Council in maximising the benefit from its financial assets in a risk aware way (not including standard treasury management activity).
- 14. On 23rd March 2021 Cabinet considered a report regarding the proposals for the development of Airfield Business Park. The Cabinet agreed, inter alia, that £9.5m would be allocated for the development from the Corporate Asset Investment Fund (now repurposed as the Investing in Leicestershire Programme) subject to the satisfactory outcome of the tender exercise for the construction of part of the development. The Cabinet authorised the Director of Corporate Resources to undertake the necessary work to enable submission of a planning application, determine whether to proceed with the development and enable the delivery of Phase 3 and 4. The comments of the Scrutiny Commission, which had considered the matter on 15th March 2021 were reported to the Cabinet.

Resource Implications

- 15. The MTFS allocations, if approved by Cabinet, will bring the overall portfolio of the liLP to the expected maximum holding of £260m, subject to satisfactory business cases. The expectation is that the returns (both revenue income and capital growth) generated by the liLP will have a meaningful impact on the Council's funding gap.
- 16. The Airfield Business Park development would have a maximum capital cost of £16.5m. This figure includes costs associated with preparing and submitting the planning application, fees, construction of two drive-thru Units, a 60,000 sq. ft industrial unit and 16 light industrial units ranging from 1,500 sq. ft to 3,500 sq. ft plus contingencies. The development is expected to generate an income of approximately £1,075,000 per annum once the scheme is completed. This is in addition to the £550,000 per annum and capital receipt of £802,465 which the previous phases generated.
- 17. A specific provision exists for IiLP development in the capital programme.
- 18. Further information relating to the proposal and financial estimates and risks are provided in Part B of this report.
- 19. The Director of Law and Governance has been consulted on the content of this report.

Circulation under the Local Issues Alert Procedure

20. The report has been circulated to Mr. Phil King CC (Market Harborough West and Foxton).

Officer(s) to Contact

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PART B

Background

- 21. The land at Airfield Business Park has been economically unproductive since the land was transferred out of the control of the British Army (who superseded its use as RAF Market Harborough) in the 1950's. Part of the land was subsequently developed as HMP Gartree but the rest remained undeveloped until the 2000's when the first phase of Airfield Business Park was developed.
- 22. The County Council acquired 15.5 acres of land at Airfield Business Park in 2016 as an opportunity to support the local economy through regeneration of a brownfield site. The strategy was to redevelop the former airfield to deliver commercial premises which would not only meet demand in the market from local businesses but also attract new enterprises into the region.
- 23. Upon acquisition of the site the County Council simultaneously sold 2.5 acres of land to a local manufacturer in order to support economic growth, enabling the firm to develop a 30,000 sq. ft industrial unit to expand their existing bespoke furniture business based in Market Harborough.
- 24. The site is located adjacent to the A508 Harborough Road north of Market Harborough and has been identified as a Key Employment Area and allocated for B1 (now class E), B2 and non-strategic B8 development in Harborough District Council's adopted Local Plan.
- 25. In July 2018, the County Council secured planning permission to build 80,000 sq. ft. of industrial units on 5.42 acres of land (12 units for B1/B2/B8 use) on part of the site.
- 26. Works on these units began in February 2019 and were completed in December 2019, at an overall cost of £6.85m. This development phase was valued in October 2022 at £8.8m.
- 27. There has been strong market interest in the development, with all twelve of the new units occupied and the rents achieved in line with expectations. The scheme received high levels of interest even during the Covid lockdowns and a number of lettings were secured during this time, emphasising the scheme's attractiveness as a business location during what has proven to be a challenging economic period.
- 28. The economic benefits have been assessed in terms of the outputs of the scheme having regard to Central Government's assessment of Rural Productivity and Gross Value Added (GVA). Productivity measures are often used to indicate how well a country uses its human and physical resources to generate economic growth. GVA measures the contribution to the economy of each producer, industry or sector. An assessment of such measures has indicated a contribution to the local economy in the region of £6,810,000 for

the development completed thus far having regard to the number of jobs created.

- 29. Five of the tenants who moved into Airfield Business Park took space to expand their existing Leicestershire-based operations. The Council has also been successful in attracting five new businesses from outside of the County. All of the Council's Airfield Business Park tenants have continued to trade successfully throughout the Covid lockdowns and none have triggered their break options which fell due upon expiry of the third year of their leases.
- 30. There are a number of rent reviews which fall due in 2023, one of which has now been concluded at a rent reflecting an increase of 8% on the passing rent agreed, and demonstrating positive rental growth.

Proposals for further development

- 31. As a result of the success of the last phase of the development, a planning application was submitted to the County Council in August 2021 for 34 individual units ranging from 1,500 sq. ft to 10,000 sq. ft to meet the market demand at the time.
- 32. Due to substantial increases in construction costs since the original planning application was submitted in 2021, it became apparent that the scheme proposed was no longer viable and a revised strategy and masterplan has been developed to ensure this phase of the scheme is viable.
- 33. Consideration has therefore been given to the potential to develop a further 105,794 sq. ft. on 7.69 acres of the site: 102,194 sq. ft of E class (light industrial) units and 2 drive-thru units fall under a Sui Generis Use Class. An indicative masterplan has been produced setting out the proposals and is appended to this report.
- 34. Planning permission for 16 individual units with sizes ranging from 1,539 sq. ft. up to 10,010 sq. ft. (offering a broad range of grow-on space in which tenants can expand to compliment what has already been developed on site) is currently being sought.
- 35. The intention is to submit a planning application for this revised scheme and proceed to tender for the construction of the development in a single final phase. This tender will seek to obtain a price to build a single unit extending to 60,000 sq. ft to meet a specific occupier requirement, as well as the 2 drive-thru units again to meet specific occupier demand.
- 36. The proposal to develop a 60,000 sq. ft industrial unit and the 2 drive -thru units are to satisfy specific occupier requirements and Heads of Terms for Agreements for leases extending to 10 to 15 years have been agreed. Securing these operators on a pre-let basis significantly reduces the commercial risk to the County Council as the 3 deals represents 65% of the annual rental income for this part of the scheme.

- 38. As this is a Council-led development, the scheme will ensure the Council's ambitions for sustainability are met where possible. This will include ensuring the chosen construction strategy incorporates sustainable construction methods such as the use of photovoltaic panels, electric car charging points, insulation and the use of best practice construction methods.
- 39. Public Health considerations are always considered when County Council schemes are proposed and the Council looks for ways in which schemes can be improved health-wise such as ease of walking to the scheme or cycling. For this proposal, cycle shelters will be incorporated into the design to encourage sustainable travel and support travel to the wider Airfield Business Park which has the benefit of a designated cycle route which links to the residential development currently under construction to the east and south of the site.
- 40. Pre-application consultations have been held with the County Council as Highway Authority in order to ensure access, parking and wider highways infrastructure designs are acceptable and any impact of the development on the local highway network is reduced.
- 41. It is intended that the planning application will be submitted in September 2023 subject to Cabinet approval being secured. Pre-application advice has been sought from County Council planning officers on an informal basis. It should be noted that this advice should not be seen as indicative of the outcome of any eventual planning application process which will need to follow usual procedures taking into account all relevant and material planning considerations.
- 42. It is envisaged that the following indicative timescales will apply in terms of delivery and receipt of income for the Council should the proposal be approved by the Cabinet and permission be granted by the Development and Control Regulatory Board (DCRB) in due course:

September 2023	Commence formal marketing
October 2023	Submission of a planning application to the County Council as the Planning Authority
March 2024 September 2024 January 2025	Planning application considered by DCRB Completion of procurement exercise (Subject to planning permission being granted) construction commences

February 2026	Practical completion of the scheme
February 2026	First occupation of units

Financial Estimates

- 43. The cost estimate is currently £18.5m. This includes construction costs, professional fees, marketing, letting costs and a 10% contingency of construction cost. Land acquisition costs of £2m were incurred upon acquisition of the site in 2016 which forms part of the financial appraisal to determine the overall NPV but not required as a resource to fund the next phase of development.
- 44. The contingency against the construction cost element at 10% is considered appropriate given that significant due diligence has been completed with respect to ground conditions and construction cost inflation given that the cost plan prepared by the appointed Quantity Surveyor assumes commencement on site in January 2025.
- 45. A net initial yield of 4.3% is expected to be achieved in Year 1 assuming a scheme cost (including land value costs) of £18.5m having regard to an assumed gross annual rental income of £1,074,870 and net rent in the year of year of £798,000 reflecting rent free periods. The net initial yield being the current net rent, net of costs, expressed as a percentage of the capital value, after adding notional purchaser's costs. The yield in year 2 once rent free periods have expired is 5.8%.
- 46. Of note is that the Council acquired the land in 2016 at a cost per acre of £290,000. The land proposed to be developed is now considered to be worth in the region of £420,000 per acre. If the County Council was to dispose of the site in the current market it would expect to achieve a capital receipt in the region of £3.2m.
- 47. The proposed scheme would generate a net initial yield of 5.5% which excludes capital growth and is similar to the rate of interest the Council could expect to achieve from short term deposits, noting that once the short-term deposit is expired it needs to be deposited at the prevailing rate which could be lower. Retaining the capital within the Council's reserve fund would also not secure the £1.075m annual rental income which the proposed scheme is predicted to generate.
- 48. The rationale for developing the proposed scheme includes developing high quality units which will generate job opportunities in the local market (current prediction is that the scheme will generate in the order of 20 jobs and 15 apprenticeships during the construction phase and 240 post construction), aiding economic growth and support local businesses through the provision of sustainable and high quality units from which to expand their businesses in line with the liLP's Portfolio Management Strategy.

- 49. The rationale behind developing smaller units as referred in the Masterplan as Blocks H1, H2 and H3 is to address an area of market failure. The private sector rarely develops starter units as they do not generate the most advantageous returns given the increase in construction costs of delivering a number of small units as opposed to larger ones. The units serve to attract businesses in the Strategic Economic Plan priority sectors.
- 50. The Council is informed by its retained commercial agents that there is still strong demand post-Covid for industrial premises particularly in relation to the small to medium sized units which are proposed. This is borne out of ongoing discussions with two firms looking to agree a pre-let in relation to the units proposed.
- 51. The risks associated with development of the proposed scheme are mitigated by the pre let opportunities being explored. Whilst the construction of a unit extending to 60,000 sq. ft is mitigated during the term of the initial lease, there is confidence that the occupier views this location as a long-term proposition given that they are consolidating 4 other of their operations located elsewhere in the town and are likely to remain in occupation far beyond the initial 10-year term agreed. In any event, the building will be designed and constructed to enable flexibility in terms of the accommodation and enable the unit to be split into a number of smaller units if demand at the time so requires.
- 52. If the tenant does vacate, and the County Council is required to split the unit into smaller units to meet market demand, the cost of dividing the units will be recouped through the increase in rent per sq. ft which will be justified in offering smaller units.
- 53. The risks associated with the development of two drive-thru units will equally be mitigated by entering into pre-let agreements and history has shown that occupiers of such units remain in occupation, renewing their leases beyond the initial 15-year term agreed.
- 54. The proposed rent per sq. ft for the industrial units compared to the most recent development phase has increased 25% from £8 per sq. ft. to £10 per sq. Ft. Such an increase in rents is to reflect continued demand being greater than the supply of industrial accommodation in the market and also reflective of the increase in construction costs resulting in the need to increase rents to enable viable development of new stock to be brought forward. This means that the existing units are expected to achieve higher rents at rent review or at new letting/lease renewal and this has been demonstrated having agreed one of the rent reviews which reflects an increase of 8% on the passing rent payable.
- 55. The estimated construction costs against those achieved for the last phase have increased. These costs will be tested by completing a competitive tender procurement exercise before it is determined whether this phase of the scheme should be progressed.

- 56. This tender exercise will be based on a fixed cost to limit cost overruns. The details of in-scope elements within the tender and construction contract will be carefully considered to also reduce the risk of cost overruns for the Council. If the tenders received are considered too expensive having regard to the returns required, then the Council will consider alternative options and further reports will be submitted to the Cabinet if the alternative options present a substantial change.
- 57. The Director of Corporate Resources has completed the standard appraisal for this project including scenario modelling. The base case includes the following assumptions:
 - a. Development costs at £18.5m.
 - b. Initial gross rent at £1.075m pa.
 - c. Average annual rental increase of 2% (various scenarios modelled for this input). Rent reviews will be on a 3 year basis in practice for leases granted for a 6 year term and 5 year basis for leases granted for a term of 10 and 15 years.
 - d. Assumed a rental void of 7.5% of gross rent. Based on experience of voids for large, diversified property portfolio (a mandate within the Leicestershire County Council Pension Fund) which experiences around the same level of voids currently. In addition, tenant break option triggers every 3 years would allow tenants to serve notice and it is prudent to assumes rent free periods at these times (various scenarios modelled for voids as a percentage of gross rent this input).
 - e. Capital growth of 2% per annum is assumed and used for the terminal value at the end of the net present value calculation period. This assumption is deemed prudent given capital growth December 2000 to June 2023 data received from a UK commercial property manager. The long term increase over the time period (22.5 years) for UK distribution warehouses was 3.1% and 2.2% for UK manufacturing production units.
 - f. £2.3m for dilapidations over a 25-year period is assumed. This is based on 0.5% of construction cost inflated by 2% pa.
- 58. The financial model assumes, despite all leases being granted on fully repairing and insuring (FRI) terms, that £2.3m will be spent by the County Council in relation to dealing with dilapidations and improving the units throughout a 25-year period as required. It is not envisaged that a sum to this level will be necessary, but it is deemed prudent to build in resources which may be potentially necessary to re-let vacant units.
- 59. The base case internal rate of return (IRR) and net present value (NPV) table is shown below highlighting the current NPV over 25 years at £1.65m. The positive NPV shown over various time frames assumes a terminal value which includes capital growth at 2%. The positive NPV allows the Council some flexibility in deciding on the right time to dispose of the site. The discount rate used is 6.09% and represents the interest rate that is used to convert future cash flows (income and expenditure) into a present value at the start of a project. The rate used is consistent across IiLP appraisals and offers simpler

comparisons across multiple projects. The rate includes the effect of inflation and is a long-term assumption. If inflation assumptions were to increase it would be feasible to assume a higher discount rate as is discussed later in the paper.

	15 years	20 years	25 years
IRR	6.8%	6.7%	6.7%
NPV £	1,353,566	1,428,631	1,652,443

- 60. A competitive tender exercise will be undertaken to de-risk these returns estimates and only if these are shown to be at an acceptable level will this next phase of the development proceed.
- 61. Were inflation to stay elevated and risk free rates of return were higher it would be feasible to assume discount rates used to assess projects could be increased. This would lead to lower net present values all other things being equal in the most prudent of scenarios. In reality, however there is a likelihood that rents would increase at a higher rate than the 2% pa currently assumed and costs and capital growth would also be higher.
- 62. In order to take this scenario into account an alternative scenario shown in the table below uses the same assumptions as the base case described but adjusts for the discount rate to be increased from 6.09% to 7%. Using 7% results in a negative NPV (£0.8m) over 25 years. Were capital growth to increase from the base case 2% to 2.5% then the NPV with a 7% discount rate would be (£36,000).
- 63. Finance colleagues have modelled the base case NPV over 25 years for two scenario changes, rental increases different to 2% pa and rental voids being different to the base case of a 7.5% rental void. The sensitivity of the NPV is shown below. Base case assumptions are shown in bold within the sensitivity tables below. Under the base case assumptions, a more pessimistic rental voids assumption at 10% of gross rent would still result in a positive NPV.

		Rent increase % pa				
		1.00%	1.50%	2.00%	2.50%	3.00%
IIn %	1.5%	£1578 k	£2108 k	£2672 k	£3272 k	£3909 k
void of full .5% to 10%	2.0%	£1500 k	£2027 k	£2587 k	£3183 k	£3816 k
l voic 1.5%	5.0%	£1032 k	£1539 k	£2077 k	£2650 k	£3258 k
Rental rent, 1	7.5%	£642 k	£1132 k	£1652 k	£2206 k	£2794 k
	10.0%	£252 k	£725 k	£1228 k	£1762 k	£2329 k

64. Construction costs are the highest individual cost line with the most uncertainty and as such a competitive tender process will inform the Council of more accurate financial returns. The appraisal will be re-run for the most up to date assumptions at that point.

- 65. The construction costs assumed in the financial model reflect current estimates of inflationary increases in such costs from the date of this report to January 2025 being the date the construction contract will likely be entered into ensuring the business case is robust.
- 66. Under the 25-years scenarios, an improved NPV is achieved as construction costs decrease. A competitive tender process has been chosen to maximise the chance of securing best value in terms of construction costs.
- 67. Tenants will be subject to due diligence assessments before lease agreements are signed. This will be based on financial credit checks and consultation with the relevant Council personnel when appropriate.
- 68. Alternative uses of resource have been considered and include:
 - Interest from depositing cash at present the Treasury Management Policy allows the Council to deposit (lend) money for a maximum duration of 1 year. Rates have increased over the past 6 months, with borrowers offering up to 6% for a one-year term. It is important to note that when the term expires cash would then need to be re invested at the prevailing market rate. The Council's treasury management advisors suggest Bank of England base rates are expected to peak in the coming months and then reduce to between two to three percent over the next two to three years.
 - Borrowing from the Public Works Loan Board (PWLB), as the Council has done in the past. An option exists to redeem debt when the costs saved are favourable. The debt management office (DMO) publishes rates to redeem debt. As at the time of writing these range between 4.2% and 4.8%.
- 69. The proposed scheme is being funded from internal resources with no direct borrowing required to take this scheme to completion.

Conclusion

- 70. The land surrounding the Business Park is now the subject of residential development. The land to which the report refers has remained undeveloped and only now has a viable scheme been brought forward that completes the Business Park. The scheme is expected to provide 20 jobs during construction and 240 jobs when completed.
- 71. It is therefore recommended that that the proposal for the further and final development phase of 105,974 sq. ft of Airfield Business Park as detailed on the indicative Masterplan attached ('the development') and the financial costs and returns estimates as set out in this report be brought forward with an allocation of resources amounting to £16.5m subject to the satisfactory outcome of the tender exercise.

Equalities Implications

72. There are no Equality Implications directly arising from this report. Implications associated with the future development of the site such as planning applications for planning permission, will be subject to Equality Impact Assessments, as appropriate, prior to decisions being made.

Human Rights Implications

- 73. There are no Human Rights Implications directly arising from this report. Implications associated with the future development of the site such as planning applications for planning permission, will be subject to Human Rights Assessments, as appropriate, prior to decisions being made.
- 74. Environmental implications are referred to at paragraph 38 above.

Risk Assessment

- 75. This is a medium-sized project that requires upfront investment in order to generate future financial returns. The risks relate to the size of the financial obligations which the Council could potentially commit to. These will include consultancy fees, infrastructure design costs, funding, timing commitments and construction costs. Inevitably all of these bring a degree of risk.
- 76. So that financial risk can be mitigated, and best value obtained, advice has been provided by external consultants. The scheme will be tendered and if the cost of tender returns is unacceptable, the proposed scheme may be redesigned to reduce cost.

Background Papers

Investing in Leicestershire Programme ~ Portfolio Management Strategy 2023 - 2027 https://politics.leics.gov.uk/documents/s174713/Appendix%20H%20-%20Investing%20in%20Leicestershire%20Programme.pdf

<u>Appendix</u>

Indicative site masterplan for the final development phase of Airfield Business Park



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DETAIL DRAWINGS AT LARGER SCALE TAKE PRECEDENCE OVER GENERAL ARRANGEMENT DRAWINGS

PROJECT:	LEICESTERSHIRE COUNTY COUNCIL PROPOSED EMPLOYMENT DEVELOPMENT AIRFIELD BUSINESS PARK MARKET HARBOROUGH		
STATUS:	FOOTPRINT		
DRAWING TITLE:	UNIT 1 LAYOUT		
DATE:	14/02/2023	DRAWN BY:	BH
SCALE:	AS NOTED AT A1	CHECKED BY:	BH
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CABINET – 15 SEPTEMBER 2023

CORPORATE COMPLAINTS AND COMPLIMENTS ANNUAL REPORT 2022/23

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

<u>PART A</u>

Purpose of the Report

- 1. The purpose of this report is to present to the Cabinet the Corporate Complaints and Compliments Annual Report, covering the period 1 April 2022 to 31 March 2023, appended to this report.
- 2. The Annual Report highlights a further increase in complaints and sets out the key reasons driving this. It highlights ongoing pressure points during the year in Special Educational Needs and School Admissions.

Recommendations

3. That the Cabinet notes the Corporate Complaints and Compliments Annual Report, covering the period 1 April 2022 to 31 March 2023.

Reasons for Recommendation

4. To note the increase in volume of corporate complaints received and the key themes emerging.

Timetable for Decisions (including Scrutiny)

5. The Corporate Complaints and Compliments Annual Report was presented to the Scrutiny Commission at its meeting on 12 June 2023 and its comments are set out in Part B of this report.

Policy Framework and Previous Decisions

6. The Council adopted a new Corporate Complaints Policy in 2010 which requires an Annual Report to be produced, analysing, and reviewing complaints received during the preceding 12 months.

Resource Implications

- 7. There are no additional resource requirements arising from this report.
- 8. The Director of Corporate Resources and Director of Law and Governance have been consulted on this report.

Circulation under the Local Issues Alert Procedure

9. None.

Officers to Contact

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Simon Parsons, Complaints and Information Manager Corporate Resources Dept. Tel: 0116 3056243 Email: <u>simon.parsons@leics.gov.uk</u> 159

<u>PART B</u>

Background

- 10. The Complaints and Information Team manages and co-ordinates complaints relating to 3 separate complaints systems
 - i) Adult Social Care statutory process
 - ii) Children's Social Care statutory process
 - iii) Corporate Complaints process these are complaints relating to other services provided by the Council where there is no access to a statutory complaints' procedure.
- 11. Corporate Complaints are the primary subject of this report. The corporate complaints service produces an annual report to analyse and provide comment on complaints received during the preceding 12 months.
- 12. As detail is included in the Annual Report itself, the purpose of this report is to highlight the headline issues emerging from the analysis of complaints activity for 2022/2023
- 13. Both statutory processes are subject to other reporting processes and annual reports on both areas will go to their respective Scrutiny and Overview Committees. This report will however include high level comments on each of these.

Headline statistics

Complaints received and outcomes (2021-22 comparative data is in brackets)

- 14. During 2022-23 the following complaints were received:
 - 781 Corporate complaints (610) a 28% increase.
 - 80 Local Government and Social Care Ombudsman (LGSCO) enquiries (50) a 60% increase.
- 15. 398 Corporate complaints were upheld which is 51% of the total received (39%).
- 16. 80 Ombudsman Decisions were made during 2022/23 as follows:
 - 26 Closed after Initial Enquiries
 - o 23 Maladministration with Injustice
 - o 14 Premature
 - 13 Outside of LGSCO remit
 - 4 No Fault found after detailed investigation

Response times

17. During 2022-23, complaint response times clearly show significant pressures on services, particularly those requiring senior manager review.

Stage 1 Complaints

- 46% of all complaints received a response within 10 working days
- 70% received a response within 20 working days
- 85% received a response within the maximum 40 days recommended by LGSCO.

Stage 2 Complaints

- 37% of all complaints received a response within 20 working days.
- During the year and following a Final Decision of the LGSCO, the Council made changes to its complaints procedure to report separately at Stage 1 and 2. For this reason there is no comparative data this year.

Issues most frequently complained about

19. The top five issues complained about were as follows

School Admissions		
Special Educational Needs (SEN) assessment	193	
SEN and School Transport	79	
Highway Maintenance	26	
Public Transport	24	

Local Government and Social Care Ombudsman Complaints

- 20. There has been an expected increase in the number of Ombudsman decisions this year. This has increased by 60% from 2021-22, driven primarily by SEN-related complaints.
- 21. There has also been an increase in the findings of maladministration this year. Financial payments made across Corporate Complaints increased from £10,750 in 2021-22 to £40,750. This included one significant payment of £11,000 following a Public Report regarding Adult Social Care, reported to the Cabinet earlier in the year.
- 22. Otherwise, the biggest factor in findings of maladministration continues to be SEN complaints. The Council continues to have regard to the Ombudsman's guidance on remedies and this has prevented several complaints escalating through appropriate local settlement offers.

23. The Ombudsman issued 1 public report against the Council during the year. This concerned SEN Transport and has led to a number of remedial actions being implemented to improve the timeliness of processing applications and resultant appeals.

Compliments

- 24. There was a slight decrease in numbers of compliments recorded during the year with 211 across all services (down from 226 in 2021-22).
- Compliments were recorded across a wide range of services including significant volume for Libraries (92), Recycling and Household Waste Sites (26) and Highways (23). Compliments were usually about positive customer care and helpfulness.

Adult Social Care Statutory Complaints

- 26. There were 204 adult social care complaints recorded in 2022-23, a decrease of 3% on 2021-22 (210).
- 27. Response times for social care complaints improved this year with 76% responded to within 20 working days. This is a good improvement on last year. There were however 19 complaints exceeding the statutory maximum 65 working days which needs improvement.
- 28. Fault was found in 38% of complaints which was a reduction of 5% from previous year (43%).
- 29. The Ombudsman investigated 24 social care complaints in 2022-23 and reached adverse findings in 9 instances. This was an increase on the previous year (5). Financial payments of £15,865.86 were also significantly increased from £500 in 2021-22.

Children's Social Care Statutory Complaints

- 30. A total of 86 Stage 1 complaints were accepted, a 32% increase from 2021-22 (65).
- 31. The Council continues to assess complaints against the statutory guidance and practitioner guidance issued by the LGSCO in determining eligibility to the statutory procedure. This is important to control costs incurred through independent investigation.
- 32. 82 Children's Social Care complaints were handled under the Corporate Complaints procedure.
- 33. Of the 86 complaints considered at Stage 1, 10 requested escalations to Stage 2 (Independent Investigation) equating to 12%. Of these, 5 requested further escalation to Stage 3 of the process (Panel Review) and 3 of those went on to approach the Ombudsman.

- 34. Response times for Stage 1 complaints showed some challenges with adhering to the stricter statutory timescale of 20 working days with only 31 complaints (37%) achieving this. There were also 12 complaints (14%) which exceeded 40 working days. This requires improvement to adhere to the statutory procedures.
- 35. The Ombudsman investigated 10 children social care complaints in 2022-23 and reached adverse findings in 3 instances. Financial payments totalling £2500 were made, an increase from £300 in 2021-22.

Comments of the Scrutiny Commission

- 36. The Scrutiny Commission considered a report at its meeting on 12 June.
- 37. Members noted complaints regarding delays in allocating school places, and that the process had been changed to help address this and guidance for parents clarified (most of the complaints related to house moves in/out of County which had resulted in children changing school). Delays in processing the applications were largely due to resource issues within Children and Family Services but oversubscription was also a factor in some areas.
- 38. It was noted that there had been a significant number of complaints regarding SEND and the timely conduct of Education and Health Care Plans. Improvements were being made to the system and this was monitored by the Children and Families Overview and Scrutiny Committee as part of the Transforming SEND in Leicestershire Programme. Members were advised that of those complaints that had not been addressed in time, the majority related to often complex SEND issues.
- 39. The Commission noted that the amount paid by the Council in the settlement of complaints had risen but this was largely due to one case (an adult social care review) and payments had otherwise been consistent with previous years.
- 40. Members were pleased to note that the level of compliments had remained fairly consistent despite the challenges faced and rise in complaints.
- 41. The Commission asked that future reports included figures as well as percentages in order to help quantify the data being presented.

Equality Implications

42. There are no equality implications arising from the recommendations in this report.

Human Rights Implications

43. There are no human rights implications arising from the recommendations in this report.

Background Papers

Report to the Scrutiny Commission on 12 June 2023 - Corporate Complaints and Compliments Annual Report 2022/23 and minutes of that meeting https://politics.leics.gov.uk/ieListDocuments.aspx?Cld=137&Mld=7101

<u>Appendix</u>

Corporate Complaints and Compliments Annual Report 2022-23

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Corporate Complaints & Compliments Annual Report 2022 - 2023

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1. Purpose of Report

- **1.1** To report statistical information on Leicestershire County Council's (LCC) corporate complaints and compliment activity from 1 April 2022 to 31 March 2023.
- **1.2** To provide an open resource to anyone who wishes to scrutinize local services
- **1.3** To outline the key developments and planned improvements to the complaints processes operated by the Council.
- **1.4** To demonstrate how some of the learning from complaints and compliments has been used to shape future service delivery and improve the overall customer experience.

2. Complaints and Compliments received in 2022-23

2.1 Introduction

The Complaints Team manages and co-ordinates complaints relating to 3 separate complaints systems –

- i) Adult Social Care statutory process
- ii) Children's Social Care statutory process
- iii) Corporate Complaints process these are complaints relating to all other services provided by the Council where there is no access to a statutory complaints' procedure.

In addition, the team deals with a wide range of interactions with customers that do not go on to become formal complaints. These include capturing compliments and comments about all Council services. The Complaints and Information team also look for opportunities to "fix and solve" issues through informal resolution as well as signposting to other organisations or alternative routes of redress as required.

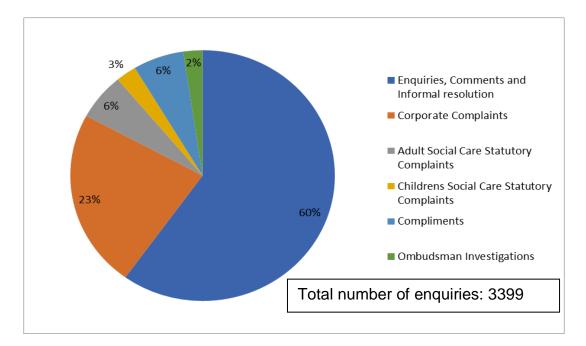
Whilst many of the above queries are quickly resolved, those where exemptions from the complaints procedure apply can often generate significant correspondence and phone calls.

The team also, in liaison with the Director of Law and Governance, manage all complaints that are referred to the Local Government and Social Care Ombudsman (LGSCO). The Complaints and Information Manager acts as the nominated Link Officer and handles all correspondence between the Council and the Ombudsman.

2.2 Summary of all complaints, compliments and enquiries received in 2022-23

In total, the Complaints Team received and processed 3384 separate enquiries during 2022/2023, as depicted below

Table 1: Breakdown of all complaints and enquiries received by the Complaints team



A significant number of enquiries do not need to be formally investigated as complaints but instead the public are assisted by the Complaints and Information team to access the appropriate service or to resolve any difficulties they are having.

These are collated under Enquiries, Comments, and Informal Resolution. Further detail is provided on this under Section 2.6. At 60% of the overall volume this is a significant and increasing role for the team.

Overall, there has been a further 25% increase in contacts to the Complaints and Information Team, as set out in the table below. This followed a 13% increase last year and has placed considerable demand pressures on the team.

			%
Contact Type	2021/22	2022/23	Change
Enquiries, Comments, and Informal resolution	1531	2037	+33%
Corporate Complaints	610	781	+28%
Adult Social Care Statutory Complaints	210	204	-3%
Childrens Social Care Statutory Complaints	65	86	+32%
Ombudsman Investigations	50	80	+%
Compliments	226	211	-7%
	2692	3399	+25%

Formal complaints were received across all departments in 2022-23 as represented in the graphic below, contrasted with the figures for 2021-22.

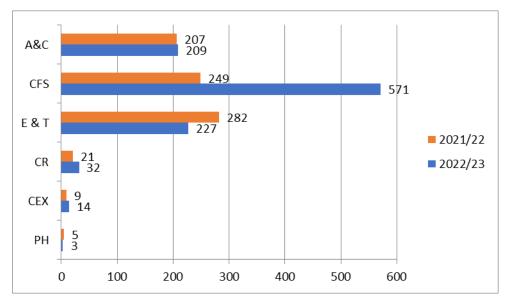


 Table 2 – All complaints (statutory and non-statutory) by Department

It should be noted that this report and the following analysis relates solely to the Council's corporate complaints and compliments processes

2.3 Corporate Complaints trend analysis

The total number of corporate complaints received increased by 28% during 2022-23. This follows a 16% rise from the previous year and continues the long-term trend of significant increase.

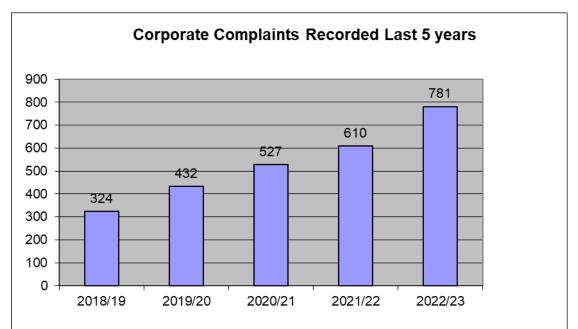


Table 3: Corporate Complaints recorded during the last 5 years

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2.4 Analysis of corporate complaint themes and significant changes from 2021-22

A key part of an effective complaints system is to highlight areas for improvement and to seek improvement of those services year on year.

In the 2021-22 corporate complaints annual report, the 5 services detailed below received the most complaints. Comparative data for 2022-23 has been added to the table below.

Service	2021/22	2022/23
SEN Assessment	129	193
SEN and School Transport	93	79
Waste Management	60	24
Environmental Services	25	19
Parking Provision	22	8

The above shows a mixed picture. Whilst Transport complaint numbers remain high, there has been a slight reduction and clear evidence that some of the improvements implemented are starting to make a difference.

Waste management saw a sharp reduction. This is less about service improvements than the removal during the year of the need for a booking system to manage appointments. Inevitably given the number of bookings made this generated some complaints. Volumes for 2022-23 are in line with previous years.

Although much lower volume, both Highways services that featured also saw healthy reductions. Better communication and responses particularly early explanation for where we would not be able to intervene have been the biggest factor here.

Unfortunately, SEN has continued to see a significant rise in complaints this year. Detailed analysis of the key themes will feature later in this report.

2.5 Analysis of most common corporate complaints in 2022-23

The list below details the 5 most frequent complained about services during 2022-23.¹

Service	2022/23
School Admissions	237
SEN	193
SEN and School Transport	79
Highway Repair and Maintenance	26
Public Transport	24

School Admissions

Representing 30% of the overall volume this is the service that has generated the most complaints during the year.

The complaints have almost exclusively been about delays in responding to and processing midterm requests for school transfers.

There have been a number of factors affecting service performance this year including loss of long-term experience within the team, recruitment and retention issues, unprecedented demand for school places and the introduction of a new software system.

The Service has been supported at various points through the year by the Transformation Unit to look at ways of delivering the service differently and better respond to the increasing demand for places. In parts of the County there is now far more demand for places than local schools can offer. Inevitably this leads to increased numbers of complaints and appeals.

SEN Assessment

It has again been a very challenging year for this service with a further sustained increase in complaints.

Whilst a significant amount of these complaints are about delay, there are often inter-related and more complex issues that also require investigation. It follows that these can be some of the most resource intensive complaints to investigate.

To assist with this, a dedicated complaints investigator post was created and commenced in July 2022. Whilst this is a positive and is enabling Team Managers

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¹ This list excludes the 62 complaints about Childrens Social Care and where the complainant lacked access to the statutory complaints procedure. These themes will be explored in the Childrens Social Care Annual Report 2022-23

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in the service to focus more time on case oversight and direction, the volume of complaints is currently exceeding the amount of resource available to respond. This is leading to significant volumes of complaints exceeding our policy timescales and escalating to the Ombudsman.

The key to reducing this lies in being able to manage the increased demand. There is a comprehensive transformation programme in place and the Council has also implemented an Accelerated Progress Plan which focuses on ensuring greater compliance with the statutory timescales for completion of work at all stages.

SEN and School Transport

As already noted, although volumes of complaints in this area remain high, they did reduce from the previous year.

There have been significant management changes within the Transport team and a new emphasis on better communication with parents. This is starting to reduce escalation into the formal complaints process.

There remain however challenges with availability and reliability of taxi providers. This year saw a record number of contracts returned and this placed additional pressures on commissioning teams to quickly put in place alternative provision.

The other key challenge remains how the Transport team manage the scenario where SEN students do not have placements finalised until very late in the summer holidays. Work is taking place to improve integrated working between the Transport and Education teams.

Highway Repair and Maintenance

Volumes in this area are not significantly high and therefore not considered to be any urgent improvements needed. The slight increase in complaints appears to link to the financial challenges around repairing roads that would benefit from this but cannot be considered high priority.

Public Transport

This is a new service area to feature and is driven by reductions and in some cases removal of services that are subsidised by the Council. The most significant one during 2022-23 being the Kinch Bus service from Sileby which generated significant correspondence and complaints. It is likely this area will see further complaints in 2023/24 as the Bus Review Strategy is rolled out further.

2.6 Enquiries and Out of Jurisdiction complaints

As well as managing formal complaints, the Complaints Team is also well placed to proactively assist customers where they simply looking for assistance or struggling to contact the service they need.

Many such matters can be quickly and informally put right and where this is the case, the intervention is not formally recorded as a complaint. Our complaints policy specifies a window of opportunity of up to 24 hours to achieve such informal

resolution. In all instances the complaints team will track the case to ensure resolution is made.

Similarly, under our policy a request for service is not a complaint (for example, a request for service could be a request to repair a pothole). A complaint would generally only arise should the request for service not be properly dealt with or there is evidence this has been reported previously.

The Complaints Team regularly handles calls of this nature and takes ownership of the case, liaising with the department to ensure they are responded to promptly.

During 2022-23, the Complaints Team handled 2,037 miscellaneous enquiries including:

- First time requests for service which were passed to the relevant Customer Service Centre or other access point (348)
- Informal resolution within 24 hours. This includes provision of advice and information about Council services and policies (651)
- Providing advice and signposting to the correct organisation e.g., District Councils, Academies, Health (253).
- Providing advice and signposting to alternative procedures for redress, for example internal appeals procedures, subject access requests, HR procedures (105)

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

Wherever possible, the Complaints Team aims to resolve customer complaints and concerns without the need to escalate into the formal complaints process. This is good complaints handling practice with complaints being resolved as close to the point of origin as possible.

This year there has again been significant acceleration of the use of digital channels for services. Whilst the majority of this has worked well, inevitably there has been some instances where the process has not worked, and customers have turned to the complaints team for assistance. It is important to note that this will continue to drive additional demand to the Complaints team as we roll this out further.

2.7 Compliments received

211 compliments were recorded across all services during 2022-23. This is slightly down from 2021-22.

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

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

3. Service Performance 2022-23

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

This is important as it ensures that full data sets can be presented, both to departments on a quarterly basis, and at year end. It also avoids the scenario whereby Ombudsman findings of maladministration might not appear in annual reports (where outcomes are not known at the time of production).

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

3.1 Responsiveness to corporate complaints

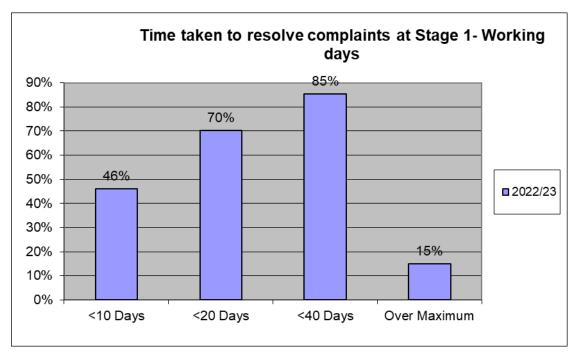


 Table 4: Corporate Complaints Performance – Stage 1

Table 4 shows a summary of time taken to respond to complaints at Stage 1. During the year, following a recommendation from the Ombudsman, the Corporate Complaints procedure was amended to stipulate timescales both at Stage 1 (investigation) and Stage 2 (review).

Previously the Council had an overall timescale of 65 working days for the whole process and the Council did not report separately at each stage.

The revised procedure sets a maximum of 40 working days at Stage 1

Given the above changes there is no comparable reporting to previous year.

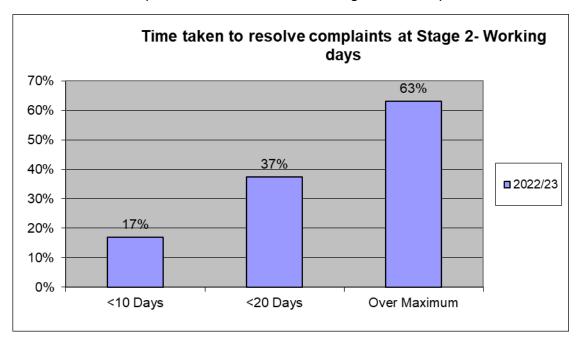
As already noted there has been pressure on complaints timescales with some 15% (114) complaints taking in excess of 40 working days to respond to. The vast majority of these were about SEN matters. This clearly requires improvement and additional capacity has been identified to help with this.

However as many of the complaints are inextricably linked to the completion of assessments or finalising plans, it follows that the complaints team are very reliant on the wider capacity within the SEN service to meet statutory timescales.

The LGSCO issued guidance during the year that it would take a sympathetic view to complaint response timescales but stressed the importance of clear communication with complainants to manage expectations. This is routinely done by the Complaints and Information team.

3.2 Responsiveness to Corporate Complaints – Stage 2

Under the corporate complaints procedure, the Council will generally offer a senior manager review. This is defined as Stage 2. The revised procedure sets out up to 20 working days for this stage of the process.



In 2022/23 83 complaints were escalated to Stage 2 and responded to as below.

Again, this data clearly shows difficulties meeting our policy timescales with 63% (52 cases) not achieving this. The Complaints Manager is working closely with departments to drive improvement in this area.

3.3 Corporate Complaint Outcomes & Resolutions

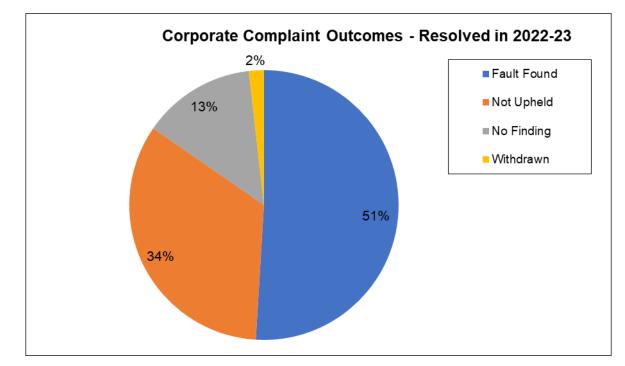


Table 5: Corporate complaints recorded by outcome.

To align with LGSCO data classification and simplify our own reporting, the Council does not differentiate between whether a complaint was partly or fully upheld. Instead, the Complaints team will assess all complaints responded to and classify as either "Fault Found" or "Not Upheld"

Table 5 above shows that 398 (51%) complaints were upheld to some extent following investigation, this is significantly higher than in 2021-22 (39%). This is down to the volume of complaints where delay was the primary factor.

106 complaints were resolved with no finding. This is where there was insufficient evidence to make a finding (e.g., two irreconcilable versions of events).

4. Learning from corporate complaints

Complaints are a valuable source of information which help to identify recurring or underlying problems and potential improvements. We know that numbers alone do not tell everything about the attitude towards complaints and how they are responded to locally. Arguably of more importance is to understand the impact those complaints have on people and to learn the lessons from complaints to improve the experience for others.

Lessons can usually be learned from complaints that were upheld but also in some instances where no fault was found but the Authority recognises that improvements to services can be made.

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

4.1 Remedial actions taken from resolved complaints 2022-23

All the 398 complaints where fault has been found have been reviewed to ascertain what action the relevant department has taken, both in remedying the fault, and any wider learning to avoid such issues occurring in the future.

You complained that	We Have		
You did not consult with the School I wanted my child to attend until too late and there are now no places	Issued reminders to staff about the process of consultation		
I was left without a school place and a lack of support to quickly help place my son	Added much clearer advice to parents about the need to always include a catchment school. We also changed our processes for the 2023 National Offer Day to automatically offer next available school.		
It is hard to know where in the process you are following request for School Transport	We have developed the application portal which now clearly shows the status of all applications		
The waiting time is too long for Educational Psychologist advice to be provided	This is very much a national challenge, but we have acted to increase capacity within this area and other ways to improve timeliness will be considered within our Transforming SEND and Inclusion (TSIL) programme.		
Your waste officer did not assist me with unloading waste from my car	Although we are clear that we cannot assist with removing waste from		

	vehicles, we have issued reminders to officers that assistance should be considered once waste has left the vehicle. Reminders issued to all teams	
You took too long to process the sponsor payment under the Homes for Ukraine Scheme	It was recognised that this scheme was implemented at pace. It was quickly apparent there was insufficient resource, and a more dedicated team and support infrastructure was put in place.	
There was an unacceptable mess left after grass cutting	We reminded the crews of need to use the blowers provided to try to clear pathways.	
You did not respond to my Blue Badge application quickly enough and could give no advice when I called	The application had not been receipted properly. Further training with administrative staff was undertaken and changes to the procedure made	
My School Transfer application was "lost" causing me to re-apply	We identified an issue with how data had been migrated onto the new system. The application and others affected were immediately fast-tracked	
You took too long to make payments for my Personal Transport Budget (PTB)	There has been a lot of work this year to simplify the process for paying PTBs. This has seen much faster times for the Autumn term 2022.	

5. Local Government and Social Care Ombudsman enquiries

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

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

The Ombudsman publishes some headline information on each Council's performance every year. This data is expected late July 2023 and will be reported through the Corporate Governance Committee in November 2023.

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

5.1 New enquiries made by the Local Government and Social Care Ombudsman 2021-22

During the year 2022-23, the LGSCO made enquiries into 80 complaints. This can be further segmented by department and alongside the last 2 year's figures:

Department	· 22/23 ·	21/22 🔽	20/21
Environment and Transport	16	22	13
Children and Family Services	37	14	7
Adults and Communities	24	10	3
Corporate Resources	1	1	1
Chief Executives	2	3	1
Public Health	0	0	0
TOTAL	80	50	25

The significant increase in LGSCO enquiries reflects the significant increase in complaints activity generally. It is also no surprise that the highest departmental volume is Children and Family Services. This is predominantly SEN referrals.

5.2 Decisions made by the Local Government and Social Care Ombudsman 2022-23

As above, the LGSCO issued Final Decisions on 80 cases during the year. Ombudsman complaints can take several months to conclude so some will relate to complaints received in 2021/22. The outcomes reached were as follows:

- Thirteen identified as outside of the Ombudsman's remit and discontinued on this basis. This is typically where a Tribunal or Court is better placed to consider the complaint.
- Twenty-six were closed after initial enquiries (the Assessment stage) with no further action. Typically, this is where the LGSCO feel they are unlikely to find any fault or are satisfied with the Council's response.

- Four were closed after detailed investigation and with no maladministration
- > Twenty-three cases of maladministration and injustice were found
- Fourteen were considered to be premature and referred back to the Council to complete their complaints procedure.

The numbers of cases where the Ombudsman highlighted maladministration increased this year from 19 in 2021/22

Two Public reports were issued against the Council during the year². The Ombudsman uses Public Reports for several reasons including to highlight topical issues and highlight significant fault and learning.

Benchmarking with statistical comparative neighbours will be undertaken and reported to Corporate Governance Committee following receipt of the Council's Annual Review Letter expected in late July 2023.

Thirteen of the twenty-three maladministration findings related to corporate services with brief details set out below:

Education & SEND – 11 Decisions

Case 1 – SEN

found

Mrs A complained that the Council failed to provide her son with suitable education when he became too ill to attend school and had not carried out an Annual Review.

The Council accepted it held no evidence of an Annual Review being completed and this would have identified earlier that X was not attending.

In recognition of the faults, the Council agreed to make a payment of £2000 in recognition of missed education and to issue reminders to all teams of the need to ensure annual reviews are completed and that alternative provision is in place when students are not able to attend school.

Case 2 – SEN

Mrs B complained that the Council delayed making a decision on her son's Education and Health Care Plan (EHCP) following an Annual Review.

The Council accepted that it had not acted in line with legislation. It agreed to a payment of £300 in recognition of this.

Case 3 – SEN

² One Public Report concerned Adult Social Care – details will be included in the Adult Social Care Complaints Report 2022-23

Mrs C complained that the Council had failed to involve her in the decision making around what advice was needed to help inform the school it would be recommending for her son. She also complained that there was delay in consulting with the Specialist School that she had requested.

The Council had already accepted that it was at fault in how it consulted with schools and apologised for this. It accepted the Ombudsman's finding that it had not clearly explained its position with regard to why it did not consider a further OT assessment was required.

The Council agreed to make a compensatory payment of £500 in recognition of the identified faults and to issue practice reminders to all staff.

Case 4 – SEN:

Mrs D complained that the Council did not offer enough help in securing her son a school placement.

In the Council's initial response, it was fully accepted that there were delays in referral to the Inclusion Services team and a payment of £1,300 had been offered in recognition of this. An apology was provided along with re-assurance of actions that had been taken to improve our procedures.

The Ombudsman accepted that this was an appropriate offer and did not issue any additional recommendations

Case 5 – SEN

Mrs E complained that the Council delayed in issuing a final EHCP and was in excess of statutory timescales

The Council had accepted this delay and apologised. The Ombudsman recommended the Council make a compensatory payment of £400 in recognition of the delay and distress arising. This was agreed to.

Case 6 – SEN

Mrs F complained that the Council delayed in issuing a decision following her daughter's annual review.

The Council accepted fault, apologised and agreed to a payment of £150 in recognition of this.

Case 7 – SEN

Mr G complained about the way the Council handled the process of amending his daughter's EHCP in preparation for transfer to secondary school.

The Council accepted there were multiple gaps in communication and missed opportunities to explain what it was doing. Although Y did not miss out on any educational provision, the family were put to a lot of time and trouble in having to contact and chase the Council. The Council had already offered a compensatory payment of £300 in recognition of the fault but agreed with the Ombudsman to increase this to £500.

Case 8 – SEN

Mrs H complained that the Council failed to ensure alternative education was provided to her son when he was unable to attend education due to anxiety.

When responding to this complaint, the Council had acknowledged that it had lacked sufficient oversight which led to a significant delay in putting in place an EOTAS (Education other than at School) package. It had offered a remedy payment of £5,100 in recognition of missed education and time and trouble.

The Ombudsman welcomed this but felt that this had not adequately remedied the fault and asked the Council to increase this to £6,875. The Council agreed to this.

The Ombudsman also asked the Council to carry out a review of all complaints over a 12-month window that may not have been appropriately remedied.

Case 9 – SEN

Mrs I complained that the Council failed to ensure alternative education in place for her son when he could not attend school for health reasons.

The Council accepted fault and agreed to make a remedy payment of £450 in recognition of distress and time and trouble.

There had also been 29 OT and 27 SALT sessions which were agreed but not provisioned and the Council was asked to look at arranging catch up sessions for these. This was subsequently agreed with the parents that it was not practical and a payment in lieu was made.

Case 10 – SEN

Mrs J complained that the Council failed to ensure alternative education in place for her son when he could not attend school for health reasons over a significant period of time

This was another instance where the Council had accepted fault within its local response to the complaint and offered a remedy payment of £13,375.

The Ombudsman commended the Council's proactive approach to resolving this complaint and was satisfied that it had taken adequate steps to redress the period of missed education. The Ombudsman asked the Council to add a further payment of £600 in recognition of the impact on the family. The Council agreed to this along with issuing various practice reminders to staff.

Case 11 – SEN

Mrs K complained about excessive delay in making amendments to her son's EHCP following an annual review. She also complained that it took too long to set up a resulting EOTAS package and provision SALT therapy.

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The Council had already offered a remedy payment of £2750 recognising missed education and had agreed to backdate funding for SALT.

The Ombudsman asked the Council to increase the overall amount to £3,825 which the Council agreed to. The Ombudsman was satisfied with the actions being taken by the Council (through the TSIL work) and did not recommend any additional actions.

Environment and Transport

Case 12 – SEN Transport (Public Report)

Mrs L complained that the Council delayed considering her application for school transport to enable her son to attend a post 16 educational placement. This delayed her right to appeal the decision to refuse traditional transport and led to costs incurred whilst she pursued (and won) her appeal.

The Ombudsman exercised his discretion to issue this decision as a Public Report. It found a number of faults with how the Council had processed the initial application and the Council's policy with regard to reimbursement of costs incurred whilst waiting for appeal decisions. It found this to be inherently unfair.

The Council agreed to a number of recommendations including

- Re-imbursement of costs incurred arranging private transport until the point the Council commissioned this.
- A payment of £500 in recognition of the fault.
- A review of how the Council gives advice and handles appeals.
- To meet costs reasonably incurred by parents after they have won a successful appeal
- To devise a system to ensure appeals are heard in time to allow transport to be arranged for the start of the academic year.

Chief Executives

Case 13: Trading Standards

Mrs M complained that the Council's Trading Standards team misled her into believing it would take court action on her behalf against a builder.

The Ombudsman's enquiries found no evidence the Council intentionally misled her but there was a lack of clear records kept which led to uncertainty around the initial advice given.

The Council agreed to make a remedy payment of £200 in recognition of this raised uncertainty and also to carry out a review of its procedures.

Overall compensation payments recommended by the Ombudsman this year amounted to £40,750

6. Oversight and support provided by Complaint's service

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

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

The Complaints Manager offers regular assistance in several complex cases and acts as a single point of contact within the Authority. This helps manage protracted disputes and ensures consistent responses are issued.

In-house training focused on the core techniques of investigation and responding to complaints has resumed this year with 3 sessions being delivered. There is a rolling programme for this training each quarter

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

Quarterly complaints reports are produced and presented to Departmental Management Teams or Senior Leadership Teams as appropriate.

To help manage demand pressures, capacity within the Complaints team has been increased over the last year with the following growth posts

- 1 additional Complaints Officer helping manage new complaints and assign out to relevant departments
- 2 dedicated Complaints Investigators 1 post is focused on SEN and the other Childrens social care. During 2023-24, these posts will become interchangeable to provide greater resilience and flexibility across these two services.

7. Concluding Comments

This has been a very challenging year across many areas of the organisation, including the Complaints team. This report shows unprecedented demand pressures most notably across services delivered by Children and Family Services.

Perhaps inevitably, these volume rises are impacting on responsiveness to complaints and there is work to do to ensure improvement in this area. There are particularly challenges within the SEN area here. This report shows two very clear and repeated themes around adherence to statutory timescales and ensuring alternative education provision is in place when children are unable to attend their named placement.

Although the volume of complaints around School Admissions is a source of concern (having been very stable for a number of years) it is encouraging that these are being quickly and effectively resolved with none escalating to the Local Government and Social Care Ombudsman.

APPENDIX A – Sample of compliments received

- Compliment re repairs to stiles along public right of way River Soar Public Rights of Way Team
- Thank you, T and team, for all your efforts to repair the road, you have made a lot of people very happy **Highways**
- Compliment re Loughborough Waste staff helping find keys Waste Management
- Thank you, L and the Leicestershire highways management team, for your compassion and humanity it is really appreciated– **Highways**
- Thank you, K, for bringing this grant (Warm Homes) to my attention, I now have double glazed windows fitted throughout the house – Warm Homes team
- Compliment to Registrars team for their customer care. It was a fantastic ceremony Registrars
- Thank you, E and team, for all of your swift action I could not have asked for a better team to respond to my enquiry. **Drainage Team**
- Thank you Shepshed library, the Space Centre event was a great session that my son really enjoyed, thank you. Libraries
- Compliment for School Admissions re advice and helpfulness when contacted re a move– **Customer Services**
- I just wanted to say thank you to B and L for all your help sorting out the EHCP & suitable Taxi to and from school. – SEN Transport
- Thank you, F, for putting in the bus cage. We hope this will make the road a little safer for pedestrian's and drivers **Traffic and Signals Team**
- Thank you for organising the Country Park Runs and we appreciate the hard work that the Ranger team put in to make it so special. **Country Parks**
- Thank you to P & A, for your intervention in regard to the Ratby Lane overnight closures and repairs. **Network Management**
- Thank you to A and D, your service was excellent I was dealt with exactly as I would expect. **Corporate Finance Team**
- Thank you, N, for being extremely helpful and provided lots of useful information. – First Contact



CABINET – 15 SEPTEMBER 2023

<u>COMMUNITY ADMISSION BODIES –</u> VOLUNTARY ACTION LEICESTERSHIRE AND THE BRADGATE PARK <u>TRUST</u>

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

<u>PART A</u>

Purpose of the Report

1. The purpose of this report is to seek the Cabinet's approval for the proposed transfer of Voluntary Action LeicesterShire (VAL) pension fund assets and liabilities to the County Council, and for the proposed transfer of Bradgate Park Trust (BPT) pension fund assets and liabilities equally to Leicestershire County Council and Leicester City Council.

Recommendations

- 2. It is recommended that
 - a) The transfer of Voluntary Action LeicesterShire pension fund assets and liabilities to the County Council be approved;
 - b) The transfer of Bradgate Park Trust pension fund assets and liabilities equally to the County Council and Leicester City Council be approved;
 - c) That the Director of Corporate Resources, following consultation with the Director of Law and Governance, be authorised to sign the pass-through agreements for the above transfers on behalf of the County Council.

Reasons for Recommendations

3. The proposals would increase the County Council's asset share in the Leicestershire Pension Fund (as a result of the positive funding position for VAL and the BPT) and would reduce overall risk to the Fund, as well as removing pension risk from VAL and the BPT.

Timetable for Decisions (including Scrutiny)

4. The Local Pension Board considered a report at its meeting on 2 August 2023 and supported the proposal.

- 5. A report will be presented to the Local Pension Committee (for Pension Fund approval) on the 8 September 2023 and the views of the Committee will be reported to the Cabinet.
- 6. Leicester City Council will need to approve the proposals as they relate to that Authority through its usual governance process.
- 7. The VAL Board of Trustees considered the matter on 12 July 2023 and supported the proposals.
- 8. Fund Officers met with the BPT Finance and General Purposes Sub-Committee on 21 August 2023. The Sub-Committee supported the proposal and agreed to refer this to the Bradgate Park and Swithland Woods Committee of Management meeting for a formal decision, on the 11 September 2023.

Policy Framework and Previous Decisions

9. There are no corporate policies or plans relevant to this proposal and it does not impact on the Budget and Policy Framework.

Resource Implications

- 10. There are no resource implications arising from this report.
- 11. The values presented in Part B of this report are provided by the Pension Fund Actuary and are subject to change due to market conditions between now and the final date of completion. The final cessation values will be calculated by the Fund actuary using the final cessation date and market conditions at that time.
- 12. Further detail relating to the proposed transfers including a summary of assets, liabilities and funding positions is given in Part B of this report.

Legal Implications

- 13. The Director of Law and Governance has been consulted on this report.
- 14. If the proposals are agreed by all parties, the Fund and VAL will enter into a legal pass-through admission agreement with Leicestershire County Council as the Administrating Authority (the Fund) and Scheme Employer (County Council). The BPT will enter into a legal pass-through admission agreement with Leicestershire County Council and Leicester City Council as joint guarantors. The City Council has agreed to act as equal guarantor. A pass-through admission means that if an employer leaves the scheme any surplus or deficit moves to the guarantor.

Circulation under the Local Issues Alert Procedure

15. None.

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Officers to contact

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Mr. I. Howe, Pensions Manager Corporate Resources Department Tel: 0116 305 6945 Email: <u>lan.Howe@leics.gov.uk</u>

<u>PART B</u>

Background

- 16. The Leicestershire Pension Fund (the Fund) has a small number of historic scheme employers known as Community Admission Bodies (CABs).
- 17. CABs tend to be small to medium sized charities that joined the Fund in the 1970s or 1980s, before the full extent of the employer risk associated with a defined benefit scheme was known. Because of this, CABs often do not have an employer guarantor or security sat behind them, so if they were to go bankrupt or to leave the scheme with a deficit that they were unable to pay, their Pension Fund deficit would be spread across all the Fund's employers. VAL and the BPT are the last two historic CABs in the scheme without guarantors.
- 18. Accounting rules require Local Government Pension Scheme (LGPS) employers to declare their pension deficits on a prudent basis. This has a negative impact on the organisations balance sheet that can impact the cost of financing and their ability to enter into long term agreements.
- 19. The Fund closely manages employer risk and will act to mitigate risks where possible.
- 20. Voluntary Action Leicester (VAL) and Bradgate Park Trust (BPT) are both CABs in the Fund that do not have a guarantor. They both have active members as well as preserved and pensioner members (VAL has 9 active, 69 preserved and 17 pensioner members; the BPT has 2 active, 1 preserved and 4 pensioner members).
- 21. Based on an indicative funding update (on the Fund's 'low risk' basis) as of 31st March 2023 the position of each CAB is -

VAL has an approx. surplus of £730,000. BPT has an approx. deficit of £30,000.

- 22. Both employers have a large surplus on the Fund's 'ongoing' basis which is used for long-term participating employers. This is the basis on which Leicestershire County Council and Leicester City Council are funded and is also the basis used for any cessation valuation of an exiting employer with a guarantor. The ongoing basis calculates liabilities by using a future investment return assumption that has a 75% chance of being achieved (as per the approach agreed at the 2022 valuation and detailed in the Fund's Funding Strategy Statement (FSS).
- 23. A summary of the assets, liabilities and funding positions on the ongoing basis is set out below. The tables represent the values at the latest fund valuation on the 31 March 2022, and at 31 March 2023.

31 March 2022	VAL	BPT	County	City
Assets (£000)	6,460	1,366	1,655,455	1,706,188
Liabilities (£000)	5,260	1,286	1,594,591	1,595,268
Funding Position	1,200	80	60,864	110,920
Surplus / (deficit) (£000)				

31 March 2023	VAL	BPT	County	City
Assets (£000)	6,580	1,340	1,640,000	1,700,000
Liabilities (£000)	4,090	1,020	1,300,000	1,290,000
Funding Position	2,490	320	340,000	410,000
Surplus / (deficit) (£000)				

- 24. The Fund's 'low risk' basis is a more prudent basis used for any cessation valuation of an exiting employer without a guarantor. The low risk basis calculates liabilities by using a future investment return assumption that has a 90% chance of being achieved, and hence is more prudent than the ongoing basis (as per the approach agreed at the 2022 valuation and detailed in the Fund's FSS).
- 25. A summary of the assets, liabilities and funding positions on the low risk basis is set out below.

31 March 2023	VAL	BPT
Assets (£000)	6,580	1,340
Liabilities (£000)	5,850	1,370
Funding Position	730	(30)
Surplus / (deficit) (£000)		

26. The Pension Manager at the County Council has been working closely with VAL and the BPT to help them reduce their pension fund risk.

Proposals - Voluntary Action LeicesterShire

- 27. The Fund proposes that the County Council acts as guarantor for VAL's pension obligations subject to VAL not having any deficit on the Fund's 'ongoing' basis at the cessation date (the date agreed by all parties to terminate the admission).
- 28. VAL would cease its current historic admission agreement with the Fund. VAL and the Fund would set up a new pass-through admission agreement from the day following the current admission ends, so members pension benefits remain continuous. VAL would mirror the County Council employer rate and at the end of pass-through admission (when the last active member leaves the scheme), any future surplus or deficit is the County Council's responsibility.
- 29. VAL would be required by the County Council to set up a bond to protect the County Council during the pass-through admission agreement period. A bond protects the Fund in circumstances where the employer may not be able to fulfil its financial obligations arising from the employer's participation in the scheme (for example in the event of insolvency or early retirements).

- 30. The new pass-through admission agreement would be signed by all parties, prior to the end of the existing agreement, and only existing contributors will be named in the agreement, making this a closed admission. This reduces the risk to the Fund as new employees recruited by the employer will not be able to become LGPS members.
- 31. The Fund proposes to calculate a cessation value on the 'ongoing' basis to establish if VAL has a deficit on the ongoing basis which is used for an exiting employer with a guarantor (as the County Council would now be acting as guarantor under this proposal).
- 32. The date of the cessation will determine when the cessation calculation will be carried out. For example, if under this proposal VAL agree to cease on 30th September 2023, a cessation valuation will be carried out for this date as an actual valuation.
- 33. If there was a deficit on the 'ongoing' basis, this will be paid by VAL. VAL would have then met its financial responsibilities under the current admission agreement (on the basis that County Council is now acting as guarantor). Due to the uncertainty of market conditions, there is no guarantee what the surplus or deficit will be at the point of the actual cessation.
- 34. Under the proposal, any surplus would go to the County Council. For the avoidance of doubt, VAL does not qualify for any refund of any surplus as the assets and liabilities are being transferred to the County Council in full at the cessation date, with the associated risk.

Proposals - Bradgate Park Trust

- 35. The Fund proposes that the County Council and City Council act as equal guarantors as they have joint stewardship. This guarantee is subject to the BPT not having any deficit on the Fund's 'ongoing' basis at the cessation date (the date agreed by all parties to terminate the admission).
- 36. If all three parties agree, the BPT would cease its current admission agreement with the Fund and a new pass-through admission agreement would be put into place. BPT would mirror the County Council employer rate (which is the higher of the two councils) and at the end of pass-through admission (when the last active member leaves the scheme), any future surplus or deficit would become the County Council's and City Council's responsibility, split equally. When active members turn 55 a bond will be required, to be set up by the BPT.
- 37. The new pass-through admission agreement would be signed by all parties, prior to the end of the existing agreement and only existing contributors will be named in the agreement, making this a closed admission. This reduces the risk to the Fund as new employees recruited by the employer will not be able to become LGPS members.
- 38. The Fund proposes to calculate a cessation value on the 'ongoing' basis to establish if the BPT has a deficit on the ongoing basis which is used for an

exiting employer with a guarantor (as the County and City Councils would now be acting as equal guarantors under this proposal).

- 39. The date of the cessation will determine when the cessation calculation will be carried out. For example, if under this proposal the BPT agreed to cease on 30th September 2023, a cessation valuation will be carried out for this date as an actual valuation.
- 40. If there was a deficit on the 'ongoing' basis, this will be paid by the BPT. The BPT would have then met its financial responsibilities under the current admission agreement (on the basis that County and City Councils are now acting as equal guarantors). Due to the uncertainty of market conditions, there is no guarantee what the surplus or deficit will be at the point of the actual cessation.
- 41. Under the proposal, the funding position (asset and liabilities) at the cessation date would be shared equally between the County and City Councils. Therefore, any surplus would be shared equally between both councils.
- 42. For the avoidance of doubt, under this proposal BPT does not qualify for any refund if there is a surplus, as the assets and liabilities are being transferred to County Council and City Council equally at cessation date.

Implications if Transfers do not proceed

- 43. Should VAL and the BPT not agree to the proposals, they would eventually exit the Fund (when the last active members leave/retire) on the 'low risk' basis consistent with the Fund's Funding Strategy Statement for exiting employers (with no guarantor).
- 44. As of 31st March 2023, the Fund Actuary has calculated indicative fund positions as follows:
 - The BPT an approximate deficit of around £30,000 on the low risk basis.
 - VAL an approximate surplus of around £730,000 on the low risk basis.

The final cessation calculations can be variable due to the volatility in the financial markets.

- 45. If a surplus existed on the low risk basis on the cessation date, VAL and the BPT may qualify for a refund of surplus (an exit credit). The size of any exit credit would depend on their circumstances and the Fund's funding policies (including any exit credit policy) in place on the cessation date.
- 46. VAL and the BPT would continue to pay employer contributions as calculated by the Fund actuary at future triennial valuations. These contributions would be specific to their respective funding positions and circumstances and these may be higher or lower than the County Council rate.
- 47. VAL and the BPT would continue to bear all pension funding risks until exiting the Fund.

Benefits of the Transfers

- 48. The proposed transfers are intended to be beneficial to all parties.
- 49. The Fund is resolving long-standing employer risk as it provides an added layer of protection since both the BPT and VAL has no guarantor at the moment.
- 50. For VAL and the BPT, the transfer reduces the risk to them as it removes their pension employer risk but retains pension scheme entitlement for their current members.
- 51. The County Council and City Council (as scheme employers) would also benefit as any surplus would be paid to the County Council in full for VAL and split equally between the County Council and City Council for BPT.

Risk Assessment

- 52. The proposals are not considered to present a greater risk to the County Council than those which it is already taking on through its own participation in the LGPS. The increase in risk to both the County and City Councils is relatively insignificant compared to their existing positions.
- 53. With regard to VAL, the County Council would assume responsibility for any assets and liabilities.
- 54. With regard to the BPT, the County Council and City Council would assume joint responsibility for any assets and liabilities.
- 55. The most significant pension risks being assumed under this agreement (and in general to any participating Fund employer) are future inflation, member longevity and future investment returns. Of these three risks, future investment returns are the least predictable and can lead to greater volatility.
- 56. Based on figures calculated on 31 March 2023 VAL's liabilities are less than 0.5% and the BPT less than 0.1% of the County Council and City Council's positions.
- 57. Other risks include employer changes that either VAL or BPT could make to the existing active members, for example, a large increase in salary, thus increasing their pension liability. The Fund will look to include a clause in the pass-through admission agreements to mitigate this risk. The employers will also have to continue to maintain the ill health insurance to mitigate risk of a large ill health retirement cost. Any redundancy costs would be paid by VAL or the BPT.
- 58. Under this proposal both VAL and the BPT would be giving up any potential right to an exit credit in the future.
- 59. The future employer contributions payable by VAL and BPT under the passthrough agreement may be higher (or lower) than the future contributions payable if the proposal is not agreed.

60. A summary of the employer contributions is set out below.

Employer	Contribution Rate as of April 2023 (as shown in the Fund's Valuation Report)
VAL	27.5%
BPT	25.4% plus £31,000
County	29.4%
City	27.8%

61. A summary of risks to VAL, BPT, the Fund, the County and City Councils should the proposals be agreed is set out below.

VAL	 Associated risk passes to the County under pass-through terms. Paying a higher contribution rate (i.e. if County's rate is higher). No right to any potential exit credit.
BPT	 Associated risk passes to the County and City under pass- through terms. Paying a higher contribution rate (i.e. if County's rate is higher). No right to any potential exit credit.
Fund	 Any deficit will be the responsibility of the County (as a Fund employer) for VAL. This mitigates the risk to the Fund. Any deficit will be the responsibility of the County and City (as a Fund employer) for BPT. This mitigates the risk to the Fund. Non-payment of contributions. Low risk as they have always paid monies due on time and in full
County and City Councils	 Pension liability for VAL and BPT. Low risk as funding assumptions are prudent and likelihood of surplus based on current figures.

62. There are also risks should the current position remain -

VAL	Unknown cessation value - liable for any deficit payment at the point of cessation which could lead to financial hardship or liquidation.
BPT	 Unknown cessation value - liable for any deficit payment at the point of cessation which could lead to financial hardship or liquidation.
Fund	 No guarantor for VAL or BPT could put a strain on the Fund if unable to pay the deficit, then this would be passed to the Fund and spread across all employers.

	 Non-payment of contributions (low risk as they have always paid monies due on time and in full).
County and City Councils (as a Fund employers)	No risks.

63. For completeness, a summary of general pension funding risks (and mitigations) is set out below:

Risk:	Mitigation:
 Investment returns – Fund's assets are primarily debt and equity investments, which do not have guaranteed return. Longevity/Mortality – Higher life expectancy results in higher liabilities. 	 There is prudence in the Fund's investment return assumptions so its expected that the long term target return will be exceeded. Mortality is monitored regularly which informs funding assumptions.
 Pension Increase – Rate of increase (CPI) has an impact on liabilities. 	 The Fund Actuary allows for expected levels of future inflation (including higher short term inflation) in the funding assumptions.
 Regulation changes – Unforeseer regulations change can have a direct and unexpected effect on pension liabilities. 	 Funding assumptions are prudent and can absorb unexpected changes in the short term. Allowances for changes are made once known.
Salary growth - Salary increases will directly affect the employer's individual pensions liabilities.	 Fund actuary will account for these changes in the triennial valuations. The impact is reduced as new service is on the CARE basis. A salary growth clause can be included in the pass-through admission agreement.
Ill health – Ill health retirements ca occur for members of all ages with the Fund enhancing members service in certain cases. The enhancement creates a liability for the employer.	
Payment of contributions – Failure to make payment of employee and employer contributions	 Employer payments are monitored and late payments are chased. If an employer enters into liquidation the bond will be triggered.

Consideration by Voluntary Action Leicester

- 64. VAL's Board of Trustees met on the 12 July 2023 to discuss the proposal. The Board noted the large surplus that would pass to the County Council if the proposals were agreed, but still concluded that it was an acceptable option, to remove the balance sheet volatility.
- 65. The only items VAL considered that would stop it signing the agreement and move to a pass-through arrangement, is if there is a deficit at termination (rather than the expected surplus), or the bond calculation is so high that it will reduce its liquidity to an unacceptable level that would prevent it from trading.

Consideration by the Bradgate Park Trust

66. Fund Officers met with Bradgate Park Trust Finance and General Purposes Sub-Committee on the 21 August 2023. The Sub-Committee was in support of the proposal and will take this to the Trust's Committee for a formal decision at its meeting on the 11 September 2023.

Next Steps

- 67. If all parties are in agreement, Fund Officers will instruct the Fund Actuary to complete cessation valuations for both VAL and BPT as at the 30 September 2023.
- 68. Legal pass-through admission agreements will be drafted and shared with all parties. Once signed by all parties the existing admission agreements will terminate and the new pass-through admissions will commence.

Conclusion

- 69. The proposed transfers are intended to be beneficial to all parties.
- 70. The County Council and City Council can take a far longer financial planning horizon, so the risk of any deficit developing over the longer term is at a lower level.
- 71. The County Council and City Council (as scheme employers) would benefit as any surplus would be paid to the County Council in full for VAL and split equally between the County Council and City Council for the BPT.
- 72. VAL and the BPT have been strong supporters of the Fund for many years and have always made payments of the monies due, on time and in full.
- 73. A long-standing employer risk would be resolved, by providing an added layer of protection for the BPT and VAL. The pension employer risk to VAL and the BPT would be reduced whilst retaining pension scheme entitlement for existing members. Moreover, the proposal would remove liability from VAL and the BPT's balance sheets, which would support them when applying for funding.

- 74. If the situation was left unresolved (i.e. no guarantee was provided) a risk to the Fund would remain. Should VAL or the BPT become insolvent in the future and unable to meet their liabilities, this would leave all other Fund employers at risk as any deficit cost would be spread across them. This could create a future financial and reputational issue for VAL, the BPT and the Fund.
- 75. The Director of Corporate Resources has, inter alia, a duty to act in the best interests of the County Council and a fiduciary duty to act in the best interests of the Leicestershire Pension Fund. Having considered the terms of Leicestershire Pension Fund Conflict of Interest Policy and the County Council Officer Code of Conduct, it is recognised that there should be openness in relation to any potential conflict of interest and that consideration must be given in each case as to how to manage any potential conflict. The Director of Corporate Resources has considered these issues and is satisfied that the proposals are in the best interests of both the County Council and the Fund and no conflict of interest arises in this case but that it is appropriate that this is noted to show that proper consideration has been given to the issue.

Equality Implications

76. There are no equality implications arising from the recommendations in this report. The existing scheme members pension benefits are protected in full under this proposal.

Human Rights Implications

77. There are no human rights implications arising from the recommendations in this report.

Background Papers

Report to the Local Pension Board report on 2 August 2023 and minutes of that meeting https://politics.leics.gov.uk/ieListDocuments.aspx?CId=1122&MId=7236&Ver=4



CABINET - 15 SEPTEMBER 2023

A511 GROWTH CORRIDOR - MAKING OF THE COMPULSORY PURCHASE ORDER AND SIDE ROADS ORDER FOR LAND REQUIRED

REPORT OF THE DIRECTOR OF ENVIRONMENT AND TRANSPORT

<u>PART A</u>

Purpose of the Report

 The purpose of this report is to seek the Cabinet's approval to secure the compulsory acquisition of land and rights as identified on the order map at Appendix A ("CPO Maps") and the associated Side Roads Order at Appendix B ("SRO Maps") for the A511 Growth Corridor scheme. The report also provides an update on the costs and delivery timescales for the scheme.

Recommendations

- 2. It is recommended that:
 - (a) A Compulsory Purchase Order to be known as "The Leicestershire County Council (A511 Growth Corridor) Compulsory Purchase Order 2023" (CPO) be made under Sections 239, 240, 246, 250 and 260 of the Highways Act 1980 and the Acquisition of Land Act 1981 to secure the compulsory acquisition of the land shown coloured pink and the new rights over the land shown coloured blue on the CPO Maps at Appendix A to this report;
 - (b) A Side Roads Order to be known as "The Leicestershire County Council (A511 Growth Corridor) (Side Roads) Order 2023" (SRO) be made under Sections 14 and 125 of the Highways Act 1980 to construct new highways and public rights of ways, stop up, divert, improve or otherwise deal with a highway including public rights of ways and the closure and creation of private means of access as shown in the SRO Maps at Appendix B to this report;
 - (c) The Director of Environment and Transport and Director of Corporate Resources be authorised, in consultation with the Director of Law and Governance and following consultation with the relevant Cabinet Lead Members, to:

i. finalise and make, if necessary, any minor or technical amendments, modifications and deletions to the CPO Maps and SRO Maps should this be considered appropriate;

ii. finalise the CPO and the SRO (collectively referred to as "the Orders"), and the Statement of Reasons;

iii. in accordance with the Cabinet authority dated 29 March 2022, continue to take all necessary steps to make (including any associated or ancillary applications to the Secretary of State under the Acquisition of Land Act 1981 (including in respect of open space) if considered necessary), publish, and obtain confirmation of the Orders including (but not limited to) the publication and service of all statutory notices and presentation of the Council's case at any Public Inquiry or through written representations, to secure the confirmation of the Orders (with or without modifications) by the Secretary of State for Transport and implement the Orders associated with the A511 Growth Corridor scheme;

iv. to continue, in accordance with the Cabinet authority dated 29 March 2022, discussions and negotiations with landowners and stakeholders with a view to reaching voluntary agreements with landowners and to purchase and/or reserve land and rights by agreement for the A511 Growth Corridor;

(d) That the latest position with regard to costs and timescales for the scheme, set out in Part B of this report, be noted.

Reasons for Recommendation

3. The Cabinet in March 2022 authorised the Director of Environment and Transport to, among other things, take the necessary steps to make, secure confirmation of and implement the Orders necessary for the A511 Growth Corridor scheme. At that point in the scheme's development it was not known exactly which areas of land these Orders would pertain to, although a preferred route had been identified. The planning permission granted in January 2023 confirmed the route of the proposed Bardon Link Road element of the project. Improvements to be undertaken along the wider A511 corridor will be constructed under permitted development rights. An application was submitted pursuant to Section 73 of the Town and Country Planning Act 1990 on 20 June 2023 and is expected to be approved in September 2023. This application seeks to amend the drainage design associated with the new Bardon Link Road by reducing the size of the balancing pond south of the railway embankment and utilising the area to the north of the railway embankment for additional informal flood storage. The revised design requires less permanent land take, whilst also offering project benefits in terms of earthworks cost savings and a more varied habitat creation through an extension of the existing wet woodland and increased wetland/aquatic habitats north of the railway embankment. The proposals for land take for the A511 Growth Corridor

scheme have been finalised. In the interests of clarity for affected landowners, the Cabinet should formally note and approve the requirements subject to minor amendments.

- 4. Authorising the Director of Environment and Transport and the Director of Corporate Resources in consultation with the Director of Law and Governance to proceed with the making, securing confirmation and implementation of the Orders will help ensure this is done within the planned timescale. The land areas represented in both the CPO and SRO Maps, for example, may require minor modifications following responses received to the notices served under Section 5A Acquisition of Land Act 1981 seeking information as to ownership of land and rights.
- 5. To advise members of the latest position since progress with the scheme was last reported to the Cabinet in March 2022.

Timetable for Decisions (including Scrutiny)

- 6. The CPO Maps and SRO Maps will be reviewed following receipt of the necessary responses received from landowners to the Section 5A notices and it is expected that these will be finalised (subject to confirmation of the Orders) and the Orders will be made in Autumn 2023.
- 7. A further report will be submitted to the Cabinet in late 2024/early 2025 following the costing of detailed design and prior to submission of a Full Business Case (FBC) to the Department for Transport (DfT).
- 8. Mobilisation of the main contract works are expected to start in March 2025, with completion estimated in February 2027.

Policy Framework and Previous Decisions

- 9. In March 2011, the County Council approved the third Leicestershire Local Transport Plan (LTP3). This contains six strategic transport goals, of which one is to have a transport system that supports a prosperous economy and provides successfully for population growth. The LTP3 sets out the Council's approach to achieving this, namely, to improve the management of the road network and continuing to address congestion issues.
- 10. In March 2014, the Cabinet approved the principles set out in the Leicester and Leicestershire Enterprise Partnership's Strategic Economic Plan, which prioritises support for the economy of market towns and rural Leicestershire.
- 11. The County Council's Enabling Growth Action Plan (approved in March 2015) supports the development of market towns for employment land as a priority and includes a specific action to work with the North West Leicestershire District Council (NWLDC) to plan for the future growth in the area and in particular Coalville.
- 12. In November 2015, the Environment and Transport Overview and Scrutiny Committee was advised that, given the significant opposition to making any

changes to Hugglescote Crossroads, future highways improvement work in the area would be focused on the A511.

- 13. In March 2019, the Cabinet agreed to the development of the Strategic Outline Business Case (OBC) and the OBC for the Major Road Network (MRN) A511 Growth Corridor scheme. It authorised the Director of Environment and Transport to prepare and submit bids, as appropriate, to secure external funding for delivery of schemes identified in the Highways Capital Programme.
- 14. In November 2019, following public consultation, the Cabinet agreed to support the proposals comprising proposed improvements to eight junctions along the A511, including a Bardon Link Road extension to south-east Coalville, and dual carriageway between Thornborough Road and Whitwick Road. It authorised the Director of Environment and Transport to use the existing funding allocation of £4m capital funding to develop and submit a planning application for the Bardon Link Road and undertake all necessary preparations to progress the scheme to FBC and, subject to the DfT approval, deliver the scheme.
- 15. In March 2021, the Cabinet agreed to continue to progress the A511 Growth Corridor scheme including submission of the FBC to the DfT; and authorised the Director of Environment and Transport (following consultation with the Director of Corporate Resources and the Cabinet Lead Member) to undertake a pre-submission consultation exercise to support the submission of a planning application for the Bardon Link Road aligned to the programme for scheme delivery as required by the DfT. The Cabinet also agreed that all necessary work continued to progress the A511 Growth Corridor scheme including submission of the FBC to the DfT and authorised the Director of Environment and Transport to make minor changes to the A511 Growth Corridor scheme as it was developed.
- In March 2022, the Cabinet noted the projected cost increases for the 16. A511 MRN project following the recent independent audit of the Environment and Transport Capital Programme and noted the plans in place to secure the additional funding required. The Cabinet also noted the outcome of the preplanning informal consultation that took place between 27 September 2021 and 31 October 2021 to support the development of a planning application and to enable the planning application with regard to the route of the Bardon Link Road to be submitted to the Council's Development Control and Regulatory Board. In order to complete the application process for DfT MRN funding, it is necessary for the Council to prepare and submit an FBC before DfT funding is awarded. Where possible, it is hoped that the acquisition of land and rights or interests in land will be achieved by negotiation and agreement with landowners. However, alongside and in conjunction with the negotiations with the landowners, it will be essential to commence the preparation for the use of the compulsory purchase powers to procure land and rights or interests in land along the route. The circumstances in which the previous Cabinet authority was given in March 2021 to progress the A511 Growth Corridor scheme to FBC have significantly changed; including market conditions, risks and the potential need to increase forward funding.

Resource Implications

- 17. There are no additional resource implications arising from the recommendations in this report.
- The outturn cost for the A511 Growth Corridor scheme has been the subject of previous reports and is currently estimated to be £62.7m plus contingency. £41.8m will come from the DfT MRN Fund, subject to approval of the FBC, and the remaining £20.9m is from Section 106 contributions secured through the Coalville Contribution Strategy.
- 19. The Director of Corporate Resources and the Director of Law and Governance have been consulted on this report. Further detail on the CPO and SRO, along with the latest position regarding costs and timescales for the scheme, is given in Part B of this report.

Circulation under the Local Issues Alert Procedure

 This report has been circulated to Members representing the electoral divisions that are affected by the proposals - Mr D. Harrison CC, Mrs D. Taylor CC, Mr C. Smith CC, Mr K. Merrie CC, Mr T. Gillard CC, Mr P. Bedford CC and Mr N. J. Rushton CC.

Officers to Contact

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<u>PART B</u>

Background

- 21. Congestion on the A511 Growth Corridor has been a long-standing issue recognised by both the North West Leicestershire District Council (NWLDC) and the Council. This dates back to 2008 when the Coalville Transport Strategy (CTS) was developed, and the Council investigated junctions on the corridor requiring improvement to facilitate housing growth in Coalville and Ashby.
- 22. An outcome of the CTS was the implementation of the Coalville Contribution Strategy to help facilitate the delivery of improvements along the Growth Corridor. However, insufficient funding has currently been received from the Contribution Strategy to deliver the range of improvements required and issues (such as congestion and pollution) have become increasingly pronounced. This is likely to be exacerbated further by increases in background traffic and the significant levels of growth planned for Coalville as part of the District Council's Local Plan.
- 23. The A511 Growth Corridor is recognised by Leicester and Leicestershire Enterprise Partnership in its Strategic Economic Plan as one of five Growth Areas. The Strategic Economic Plan states that through appropriate investment and improvements along the corridor, there is the potential to deliver at least 5,275 houses and 25 hectares of employment land. Importantly, a significant number of the committed dwellings (3,500) are on sites which are collectively referred to as south-east Coalville.
- 24. Taking into account the aims of the MRN funding opportunity and the evidence of priorities needed to support growth, a package was developed for submission to the DfT to seek MRN funding. The A511 Growth Corridor proposals consist of a range of measures, including improvements to eight junctions, a dual carriageway between Thornborough Road and Whitwick Road in Coalville and the Bardon Link Road. This main part of the Link Road is being provided as part of the south-east Coalville development. It is the extension of this link which required planning permission, approved in January 2023.
- 25. Implementation of the A511 MRN Growth Corridor scheme will provide the breathing space to enable a wider transport strategy for Coalville and the surrounding area to address localised traffic issues, public transport improvements and walking and cycling connectivity; building on the work done as part of the Local Sustainable Transport Fund in 2012 and 2013.

DfT Major Road Network Bid

26. The Council submitted the MRN bid to the DfT in July 2019, requesting funding to prepare an Outline Business Case (OBC) by December 2019 with a potential

scheme construction start date of 2022. This was the only bid submitted across the East Midlands to the MRN funding pot.

- 27. In October 2019, the DfT announced that the bid was successful, with £1.5m funding awarded to commence work on the OBC from July 2019. The OBC was submitted in January 2020, with a potential construction start date of Spring 2022.
- 28. As a result of the impact of the Covid-19 pandemic, the DfT requested a revised OBC in order to understand the impact of Covid-19 on all projects that were to be supported by MRN funding. The revised OBC was submitted in July 2020.
- 29. The revised OBC was approved by the DfT in the Summer of 2021.

Funding

- 30. The estimated cost of the A511 Growth Corridor scheme, as submitted in the OBC, was £47.5m of which £40.4m is expected to be met from DfT funding.
- 31. As reported to the Cabinet in March 2022, the Council completed an extensive independent audit to review how it develops and delivers the Highways and Transport Capital Programme. This was driven by unstable market conditions, increasing scheme costs, the current financial position of the Council and the acknowledgement that the Highways and Transport Capital Programme is the largest the Council has ever had.
- 32. As the A511 MRN project progressed through this new process, the project cost was re-examined to account for new risks (particularly inflation), but also to consider wider lessons learnt from other recently completed projects.
- 33. In summary, this resulted in the overall scheme cost increasing beyond that set out in the OBC.
- 34. The revised budget range showed the total outturn costs could vary between circa £50m and £70m (currently estimated to be £62.7m plus contingency), and the key changes included inflation, construction costs, professional fees and risk. In order to address the cost increases identified in the cost review, more of the developer contributions identified to support the ICTS will be allocated to the MRN scheme.
- 35. It is likely there will be a requirement for the Council to forward fund a proportion of the developer contributions needed to meet the full scheme costs. This involves a risk to the Council if the developer funding to be used to recoup the forward funding does not fully materialise via developer contributions noting that decisions on developer contributions will be made by the District Council as the local planning authority. However, contributions of approximately £6.7m for physical infrastructure works have been received to date through the Contribution Strategy. Beyond this, growth allocated through the NWLDC's Local Plan or other schemes for which planning permission has been granted is

expected to secure agreement on further Section 106 (developer) funds in excess of £20m identified in the Contribution Strategy.

Consultation

- 36. Following the Cabinet's approval in March 2021, an informal public consultation exercise was undertaken in order to ascertain the level of support for the proposed link road.
- 37. The informal consultation commenced on 27 September 2021 and ran until 31 October 2021. The consultation exercise included a variety of communication methods, such as letters, social media platforms and posters. Attendance at both exhibitions totalled 46.
- 38. All consultation responses were included in a consultation analysis including feedback form responses, emails and phone calls and comments made on the online consultation platform. In summary, the majority of feedback was focussed on the entire A511 Growth Corridor rather than just the Bardon Link Road proposals. This has been reviewed in detail, and responses provided against each theme (such as speed limits, congestion, pollution, environmental impact, public transport and construction phase disturbance).
- 39. The Link Road proposals have received mixed views from those that chose to comment with an almost 50/50 split of for and against.
- 40. From June 2023, the Council commenced communication with the relevant parties in relation to land acquisition. This has included issuing Requests for Information to affected parties to raise awareness of the Council's need to acquire land. Negotiations are proceeding with a view to securing land/properties through voluntary agreements.

Planning application and CPO

- 41. The planning application for Bardon Link Road was submitted in May 2022. During the consultation period, a total of 29 consultee responses and 13 neighbour responses were received. However, it should be noted that some of these responses may have been from the same consultee as they commented more than once.
- 42. In summary, there were a number of consistent themes evident throughout the feedback, including: speed limits, environmental impact, congestion, public transport and active travel, and construction phase disturbance.
- 43. The application was considered at the Development Control and Regulatory Board on 12 January 2023. The themes detailed above and associated questions were discussed at the Board meeting in some detail. It was concluded that the planning application for the Bardon Link Road be agreed with acknowledgement that the concerns raised were already addressed in the

application and by response from the applicant or will be captured as a part of the detailed design and construction phase planning as the project progresses.

Compulsory Purchase Order (CPO)

- 44. The CPO is based on the scheme design that gained planning permission in January 2023. The purpose of the CPO is to ensure that the Council has all the land it requires and has acquired all the interests (rights) necessary to guarantee that the scheme can be constructed and maintained as a public highway. Descriptions of the rights, included in the CPO Schedule, will enable:
 - a) Short-term access, for the construction of any element of the highway scheme where the scheme footprint is insufficient;
 - b) Access to sites for landscaping purposes;
 - c) Access to site and working area for diverting a watercourse and filling in the existing stream bed;
 - Installation of tree protection and other temporary environmental measures such as the protection of ecologically important sites during construction;
 - e) Access for the construction of environmental mitigation measures such as flood compensation areas;
 - f) Access to areas necessary as part of the diversion of Rights of Way.
- 45. Throughout the scheme's development, the Council has been in contact with landowners likely to be affected by its need to acquire additional land. The details of parties with interests in land affected have been obtained from HM Land Registry where land is registered and where land is not registered, information has been sought and obtained through discussion with local landowners and/or by placing notices on site.
- 46. Wherever possible, it is intended that the acquisition of land and rights will be conducted by negotiation and agreement with landowners negating the need for use of the CPO powers, if possible and this dialogue will continue beyond the making of the Orders. However, it is likely that the making of the Orders will be vital to acquire land for the scheme delivery within the required timescales.
- 47. Following discussion with landowners and tenants and having assessed potential impacts, minor modifications have been made to the scheme's design, the extent of land acquisition plots, and areas where interests or rights are required. This has been particularly important in relation to providing private means of access to land.
- 48. The CPO plans at Appendix A show the extent of land and rights required for the scheme. The land acquisition areas are coloured pink, whilst land where interests are required is coloured blue. The total area where both land acquisition and interests are required is approximately 13.65 hectares.
- 49. A small proportion of the acquired land may be offered back to landowners on completion of the scheme. This land will be identified within the Statement of Reasons submitted with the CPO.

Side Roads Order (SRO)

- 50. The SRO will authorise the Council to construct new highways and public rights of ways, stop up, divert improve or otherwise deal with a highway and public rights of way and the closure and creation of private means of access. This will allow the Council to carry out works to existing highways, private means of access and rights of way which would otherwise affect the route of the A511 Growth Corridor project. The plans are attached at Appendix B.
- 51. The SRO will enable construction and operation of the scheme by dealing with all necessary access points, rights of way and highways that interact with the A511 Growth Corridor project, including consideration of all private means of access.

Legal Comments

- 52. The CPO and SRO are being finalised in consultation with the Council's Property Services, Legal Services, and the Legal Counsel who it is intended will represent the Council at any required public inquiry. While considerable effort has gone into the production of the plans to ensure the Council will have all the land it needs and does not acquire land and interests unnecessarily, agreement is sought for the Director of Environment and Transport to make minor amendments or modifications or deletions to the plans if need be.
- 53. The process for CPO and SRO comprises the drafting and making of the Orders setting out compulsory purchase requirements and impacts on Side Roads (existing highways and other rights of way), followed by an objection period and possible public inquiry if any objections to the Orders cannot be resolved. This will be followed by the report of the inspector presiding over the public inquiry together with the inspector's recommendations and the decision of the Secretary of State for Transport as to whether or not the Orders (with or without modifications) are confirmed. Time for this is included in the A511 Growth Corridor project programme.
- 54. The Council is seeking to mitigate the potential for a public inquiry through continued discussions with landowners around impact minimisation and potential compensation packages; if a public inquiry is not required, construction could begin earlier.
- 55. As indicated previously, the Cabinet in March 2022 authorised the Director of Environment and Transport to take the necessary steps to implement the confirmed CPO and SRO necessary for the scheme. At that time, in the early stages of the scheme's development, these areas of land and rights had not actually been identified. The Council has been taking external legal advice on a number of aspects of the A511 Growth Corridor scheme, arising from which it was recommended that the Cabinet should be advised of the location of the land and rights to be the subject of CPO and SRO and thus reduce the risk of any subsequent challenge to its decision to acquire the land and rights compulsorily.

- 56. If no objections are received, or any objections received have been withdrawn, then the Orders will be submitted to the Secretary of State for Transport for confirmation. In the event that there are unresolved objections, then the Secretary of State may arrange for a public inquiry to be held or alternatively, the objections may be considered through the written representation procedure, although this is subject to agreement from the objectors.
- 57. Following the public inquiry or the written representations procedure, the Secretary of State has the option to confirm the Orders, not confirm the Orders, or confirm them subject to modifications.
- 58. If the Orders are confirmed, with or without modification, then the Council would only seek to implement the Orders in accordance with the statutory process and acquire the land and rights, either compulsorily or by negotiation and agreement, when it has obtained approval of the Full Business Case (FBC) for the MRN Fund. Construction cannot commence until the Council has acquired all the land and rights required for the scheme.

Next Steps

- 59. It is expected that the Orders will be made by the Autumn 2023 following the determination of the Section 73 application referred to in paragraph 3 above. After the making of the Orders, there will be a statutory objection period, and a period for considering and negotiating with the relevant landowners any objections received followed by any required Public Inquiry being concluded and a decision by the Secretary of State for Transport being made by Winter 2024.
- 60. Alongside this, and subject to the above and other issues, the Council will be seeking to have the FBC agreed by the DfT in Autumn/Winter 2024 (meaning that the MRN funding will then be released). Land acquisition would follow, with construction beginning in March 2025 finishing in February 2027.

Equality Implications

- 61. The Equality Act 2010 requires the Council to consider the need to eliminate discrimination and to promote equality of opportunity between different protected groups.
- 62. The Equality and Human Rights Impact Assessment (EHRIA) screening and full report were re-examined in November 2022 after submission of the planning application in May 2022.
- 63. A further review of the Equality Impact Assessment (EIA) is currently underway. A monitoring plan will accompany this version for approval by the Departmental Equalities Group. By delivering the embedded mitigation and recommendations outlined, then the proposed scheme would meet its responsibility in relation to equality, diversity, and community cohesion.

Human Rights Implications

64. By delivering embedded mitigation and recommendations outlined, then the proposed scheme would meet its responsibility in relation to Human Rights.

Other Implications and Impact Assessments

65. Currently, a small section of the A511 around the Broom Leys junction is designated as an Air Quality Management Area. Without intervention to ease the current and future levels of congestion along the A511, there is a likelihood that air quality objectives will not be met at other locations, leading to the need to declare more such areas along the route. The scheme offers the opportunity to reduce exhaust emissions through reducing acceleration/deceleration, thus reducing particulates due to tyre and brake wear that such events cause. The proposed scheme also provides an opportunity to contribute to improving biodiversity through thoughtful landscaping. The table below sets out how the proposed scheme is aligned to the carbon reduction and biodiversity and habitat commitment set out in the Council's Environment Strategy:

Aim	Objective	Actions taken
A. Reduce Council's greenhouse gas emissions and those in the wider County where there is influence. F. Reduce the environmental impacts of travel and transport.	A2. Contribute to the reduction of greenhouse gas emissions across the County. F4. Work with partners to reduce greenhouse gas and other pollutant emissions from the local transport network.	Reduce exhaust emissions through reducing
G. Have due regard for biodiversity throughout all Council activities and seek to improve the biodiversity value of Council land and influence improvements in the wider County.	G4. Work with partners to support wider biodiversity improvements across Leicestershire.	As part of the detailed design, opportunities to improve biodiversity within the green areas of highway land will be considered.

66. The potential to promote short journeys by promoting sustainable transport will also contribute to the Council's commitment to tackling climate change.

Background Papers

Report to the Cabinet 29 March 2022. 'A511 Growth Corridor Proposals – Bardon Link Road':

https://politics.leics.gov.uk/documents/s167366/A511%20MRN%20Proposals%20Ca binet.pdf

Report to the Cabinet 23 March 2021. 'A511 Growth Corridor Proposals - Bardon Link Road':

http://politics.leics.gov.uk/documents/s160568/A511%20MRN%20Proposals

Report to the Cabinet 29 March 2019. 'Environment and Transport 2019/20 Highways Capital Programme and Highways Transportation Work Programme': http://politics.leics.gov.uk/ieListDocuments.aspx?Cld=135&Mld=5601&Ver=4

Report to the Cabinet 16 March 2015. 'Enabling Growth Plan': http://politics.leics.gov.uk/ieListDocuments.aspx?Cld=135&Mld=4360&Ver=4_

Report to the Cabinet 5 March 2014. 'Strategic Economic Plan and City Deal': http://politics.leics.gov.uk/ieListDocuments.aspx?Cld=135&Mld=3988&Ver=4

Report to the County Council 23 March 2011. 'Final Draft Local Transport Plan (LTP3) Proposals': http://politics.leics.gov.uk/ieListDocuments.aspx?Cld=134&Mld=3057&Ver=4

Consultation Report: https://www.leicestershire.gov.uk/roads-and-travel/road-maintenance/a511-growthcorridor-scheme

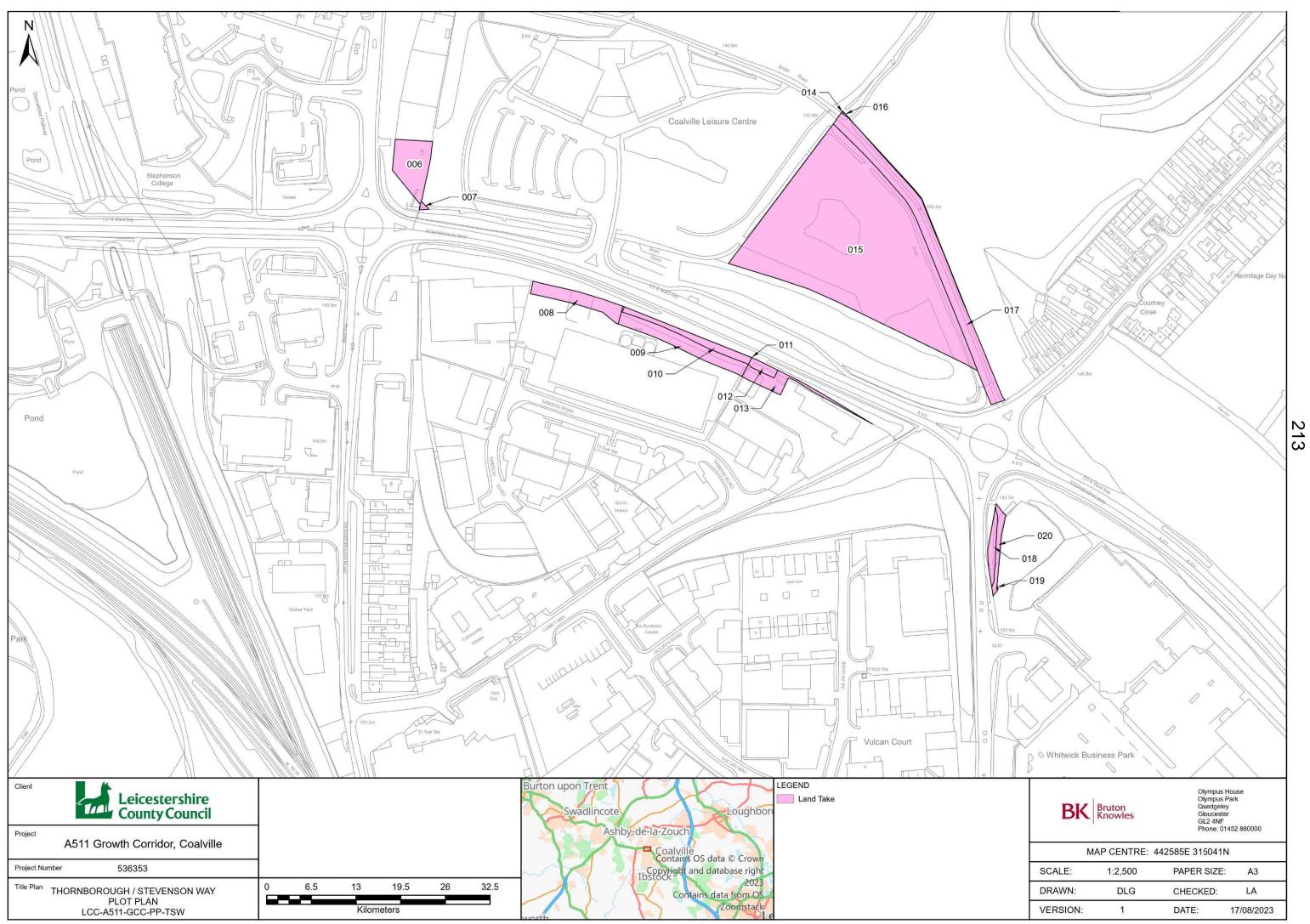
Appendices

Appendix A – Compulsory Purchase Order Maps

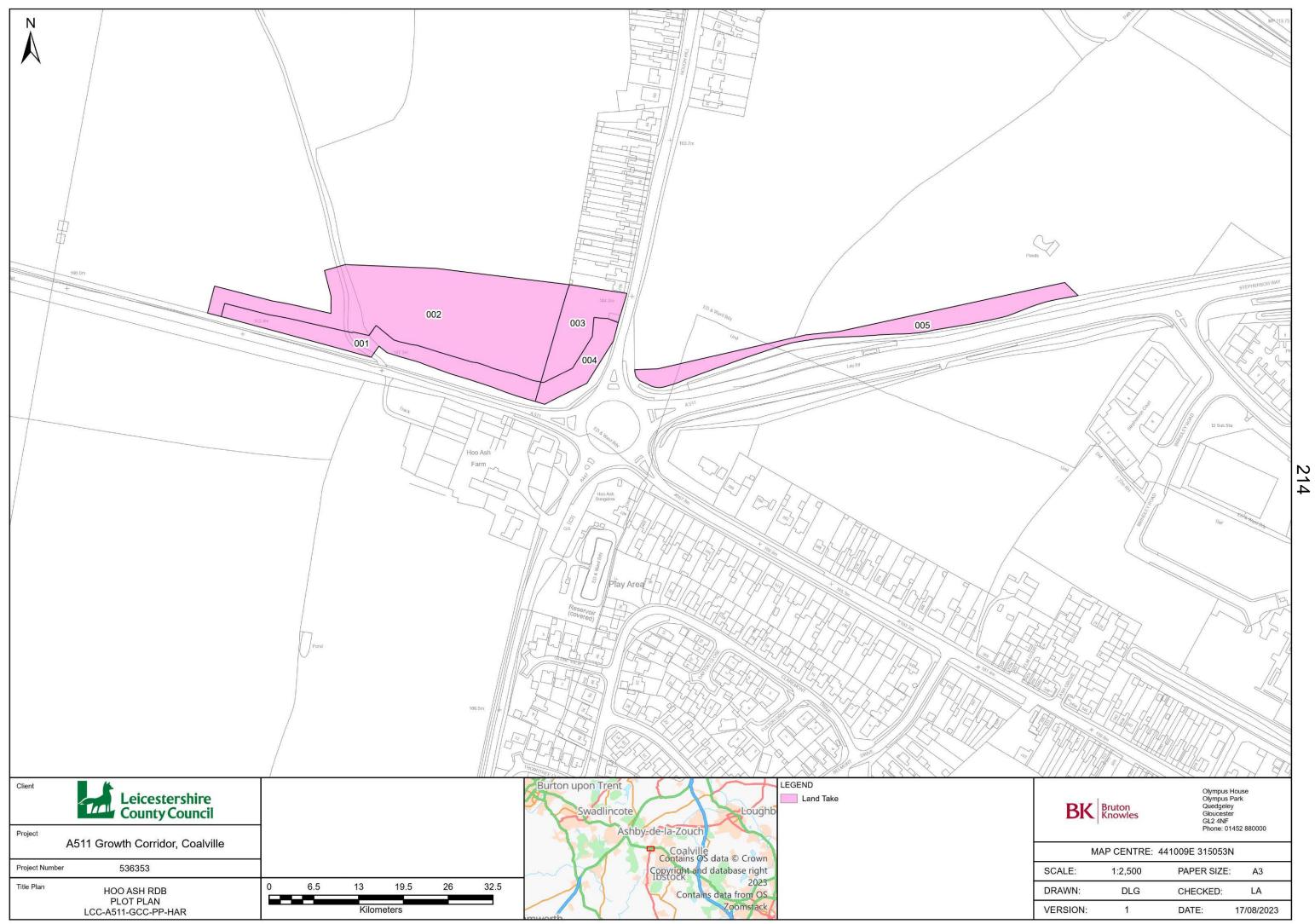
Appendix B – Side Roads Order Maps

Appendix C – A511 Growth Corridor General Arrangement Plans

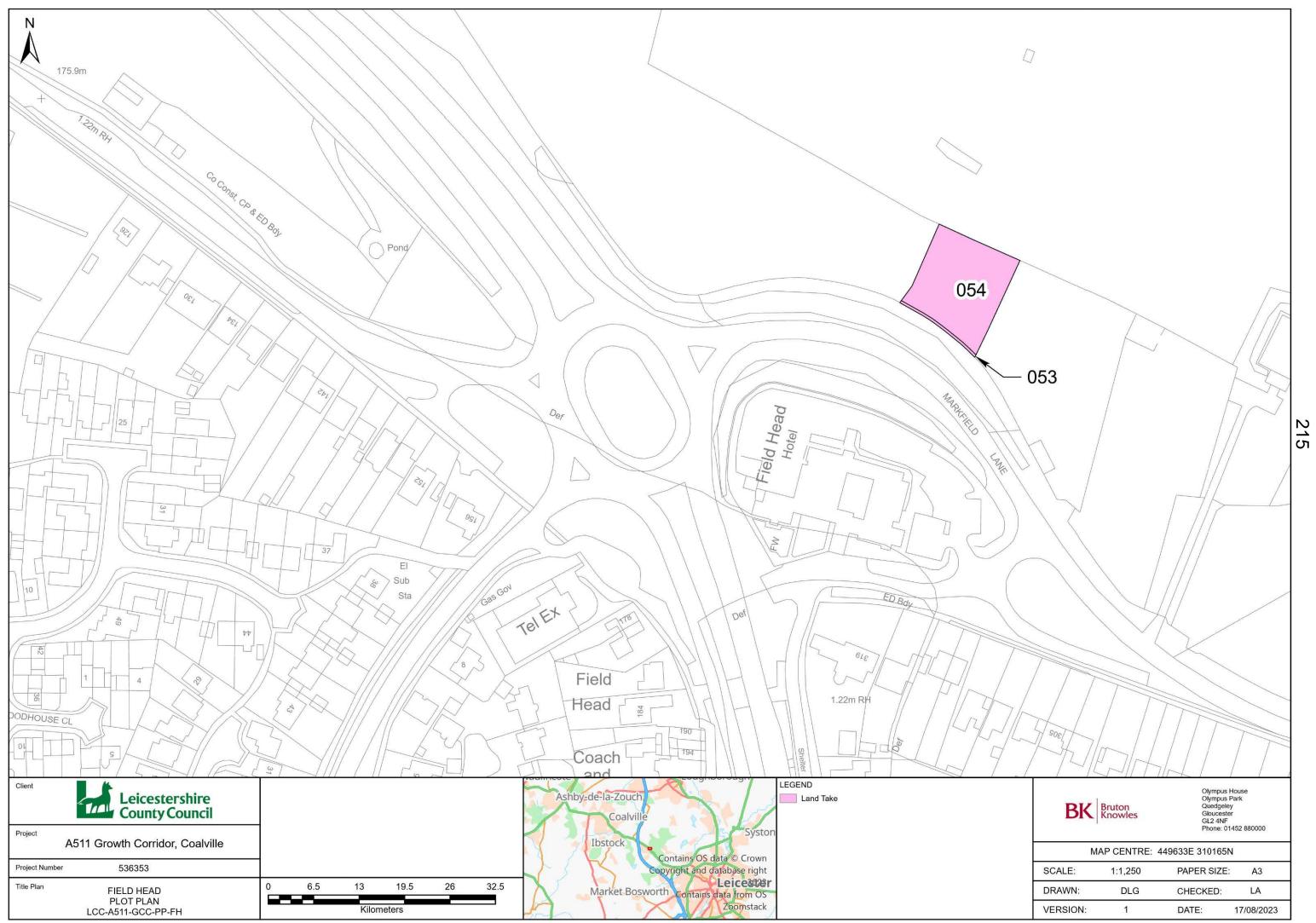
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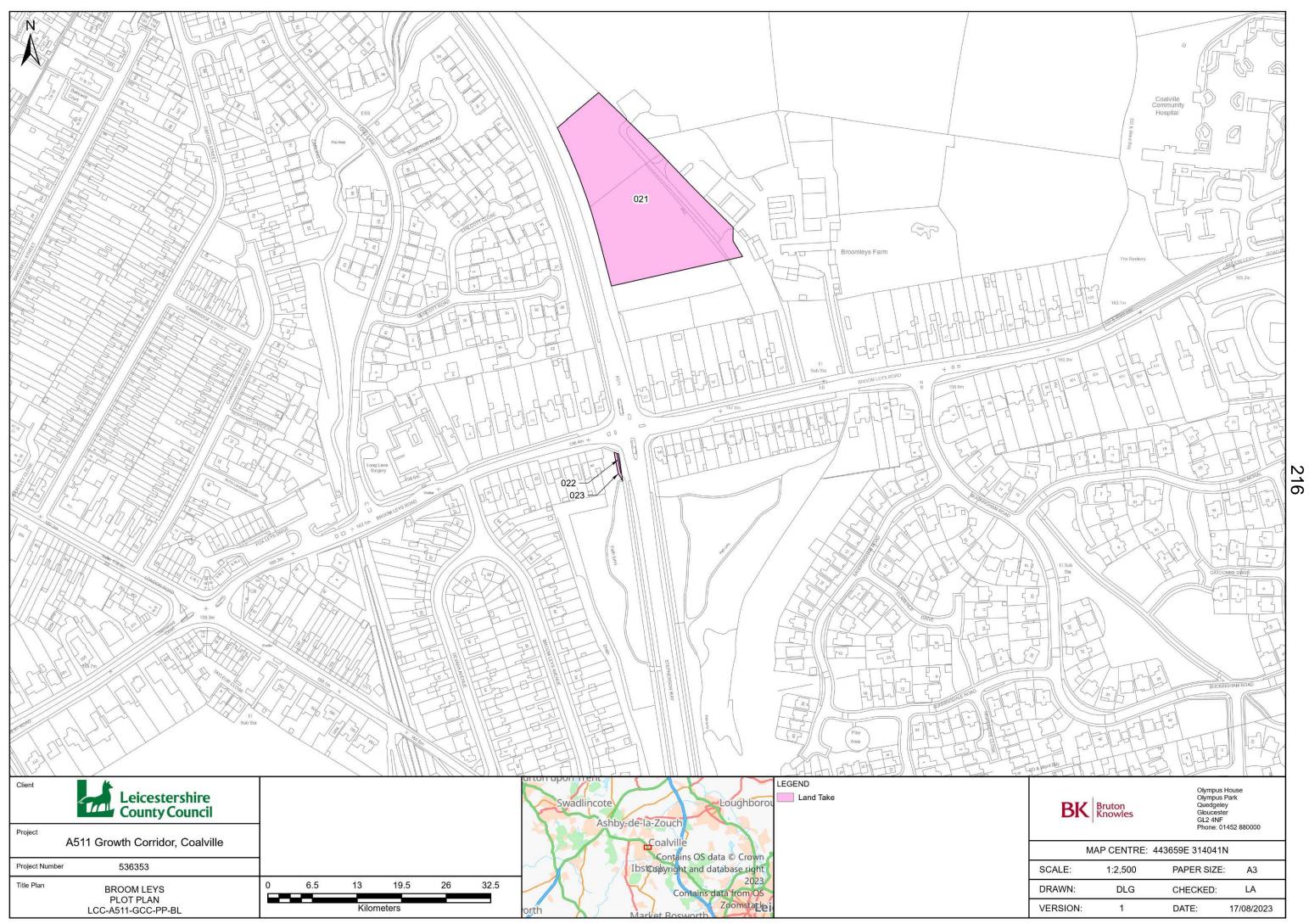




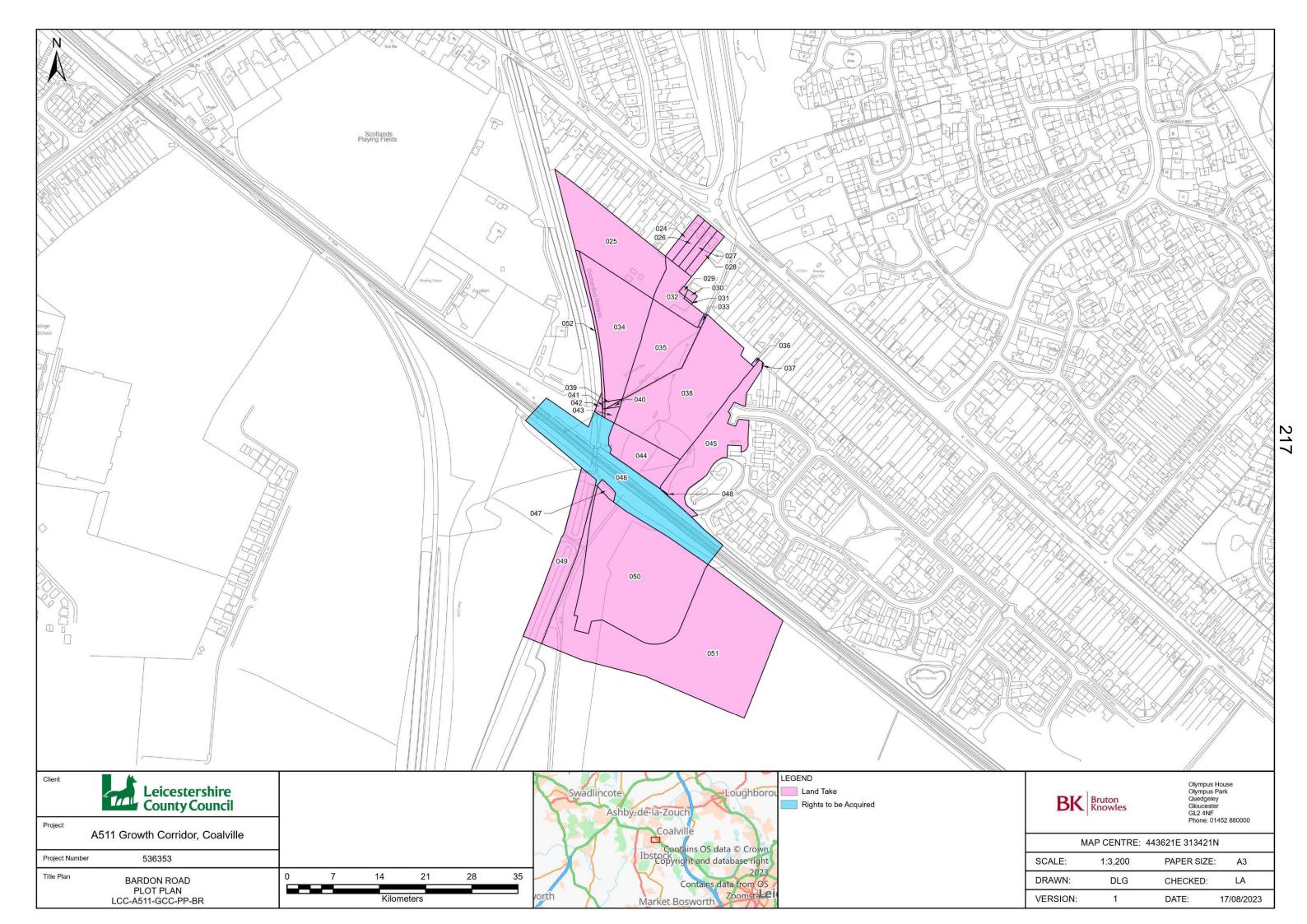
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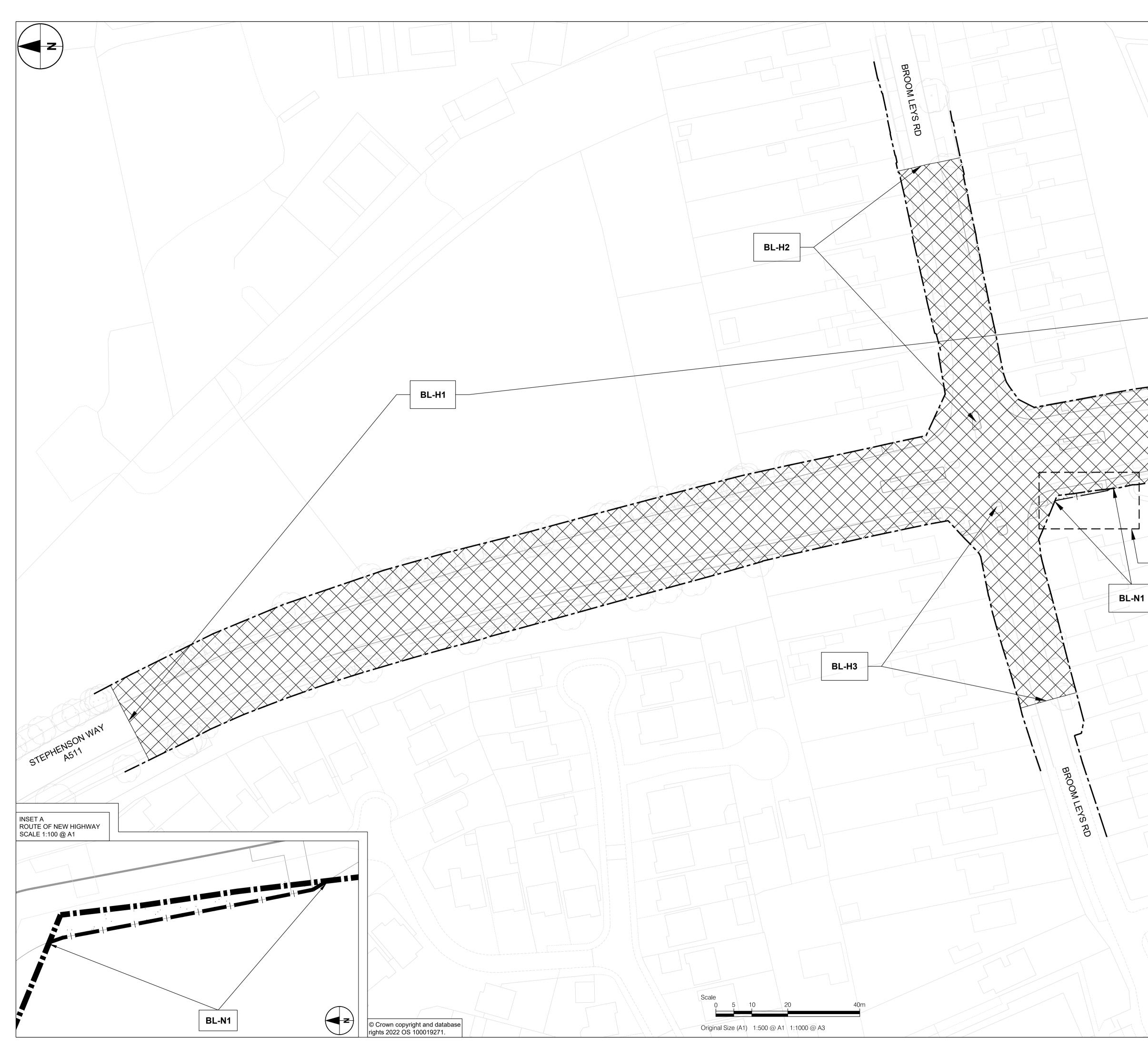
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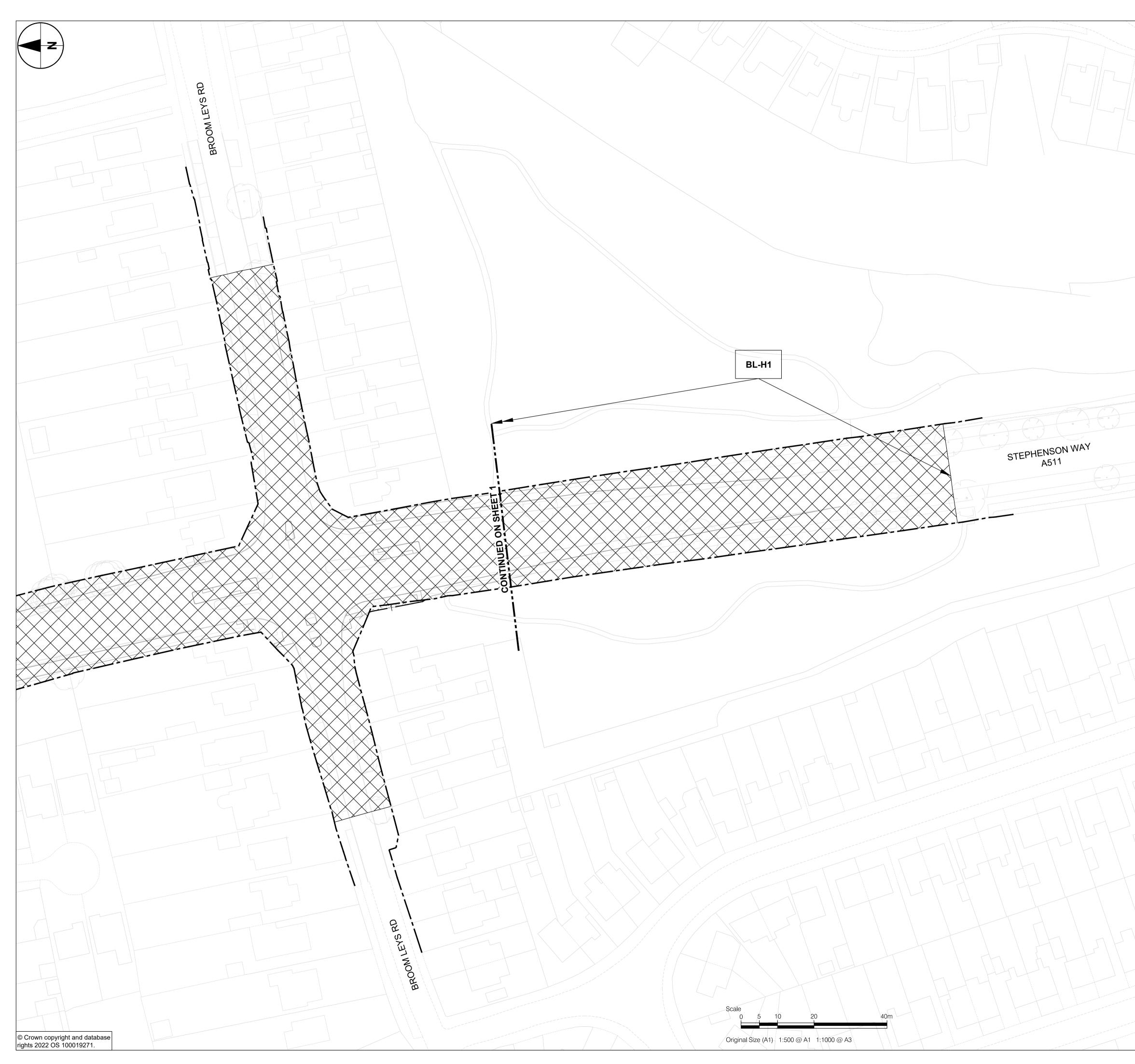
SEE INSET A

- 1. ALL DIMENSIONS ARE IN METRES UNLESS STATED OTHERWISE.
- 2. THIS DRAWING IS BASED ON DATA PROVIDED BY LCC.
- 3. WHERE PROPOSED HIGHWAY BOUNDARY IS NOT CHANGED FROM THE EXISTING, ONLY THE EXISTING HIGHWAY BOUNDARY IS SHOWN.
- TO BE READ IN CONJUNCTION WITH THE SRO SCHEDULE 60710419-ACM-LSI_GEN-SH-ZL-0001.

KEY	
S*	Highway to be stopped up
H*	Highway to be Improved
N*	Route of New Highway
X*	Private Means of Access Stopped Up
P*	New Private Means of Access
	Existing Highway Boundary
	Proposed Highway Boundary

UPDATED ISSUE FOR CO	JNSULTATION	AP JS	07/08/23	P02
REVISION DETAILS		BY CHECK	DATE	SUFFIX
PROJECT MANAGEN	IENT INITIALS			
DESIGNED: AP	CHECKED: JS		APPROV	ED:AS
INTERNAL PROJECT	NUMBER		S	SCALE
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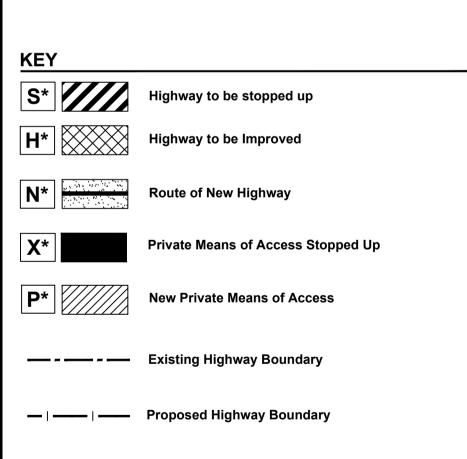
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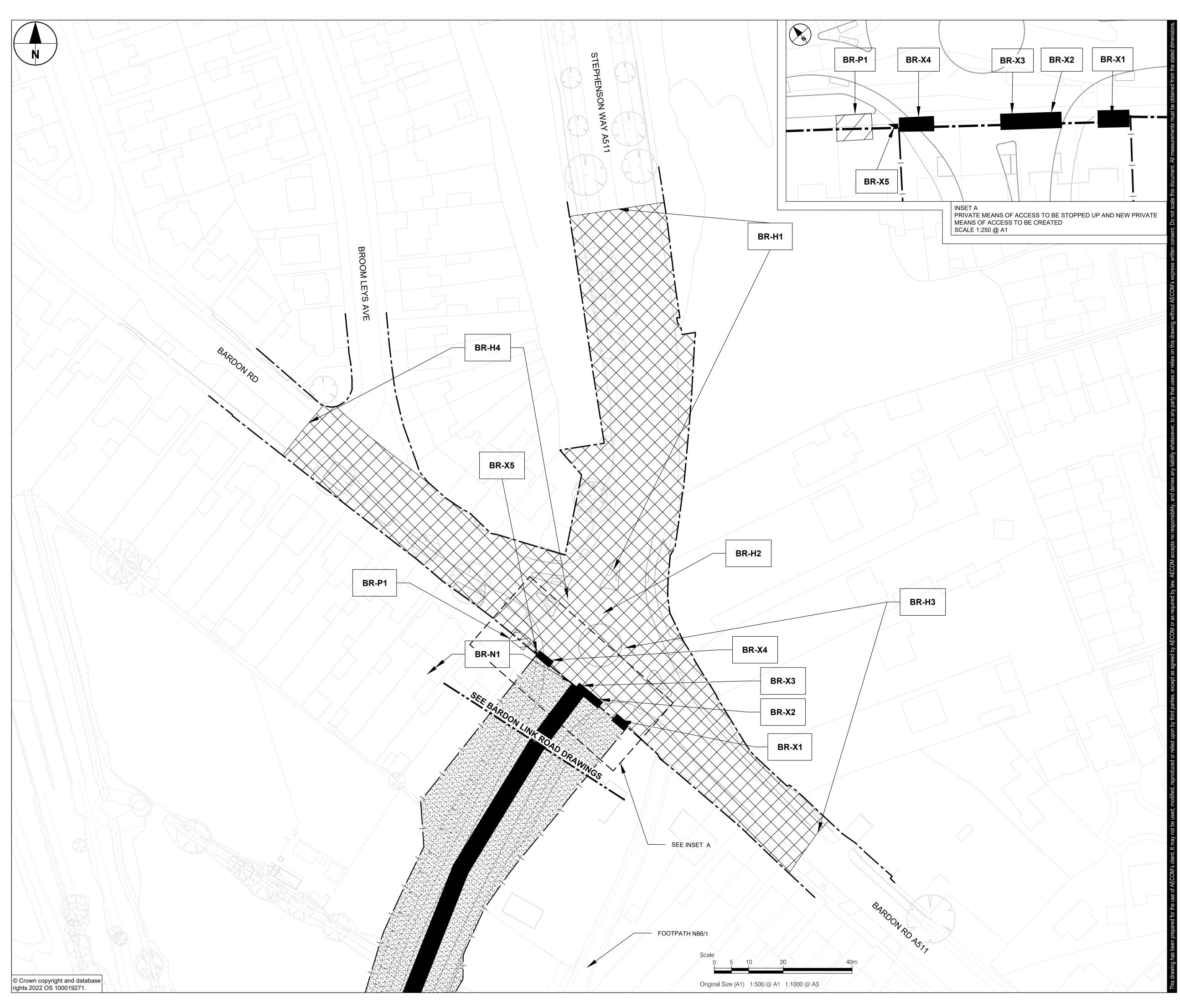
NOTES

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ISSUE FOR REVIEW		AP JS	10/07/23	P01
UPDATED ISSUE FOR CONSULTATION		AP JS	07/08/23	P02
REVISION DETAILS		BY CHECK	DATE	SUFFIX
PROJECT MANAGE	MENT INITIALS			
DESIGNED: AP	CHECKED: JS		APPROV	ED:AS
INTERNAL PROJEC	TNUMBER		5	SCALE
60710419				1:500
STATUS		BS119	2 SUITA	BILITY
STATUS FOR APPROVAL		BS119	92 SUITA	BILITY S4
		BS119	92 SUITA	
FOR APPROVAL	INCTION	BS119	92 SUITA	
FOR APPROVAL SHEET TITLE A511 GROWTH O BROOM LEYS JU SIDE ROAD ORD	INCTION ER	BS119	92 SUITA	

60710419-ACM-LSI_BL-DR-ZL-0002





A511 GROWTH CORRIDOR

CLIENT



County Hall, Glenfield Leicester, LE3 8RA tel: +44 (0)116 232 3232 www.leicestershire.gov.uk

AECOM 12 Regan Way

Chetwynd Business Park Chilwell, Nottingham, NG9 6RZ tel: +44 (0)115 907 7000 www.aecom.com

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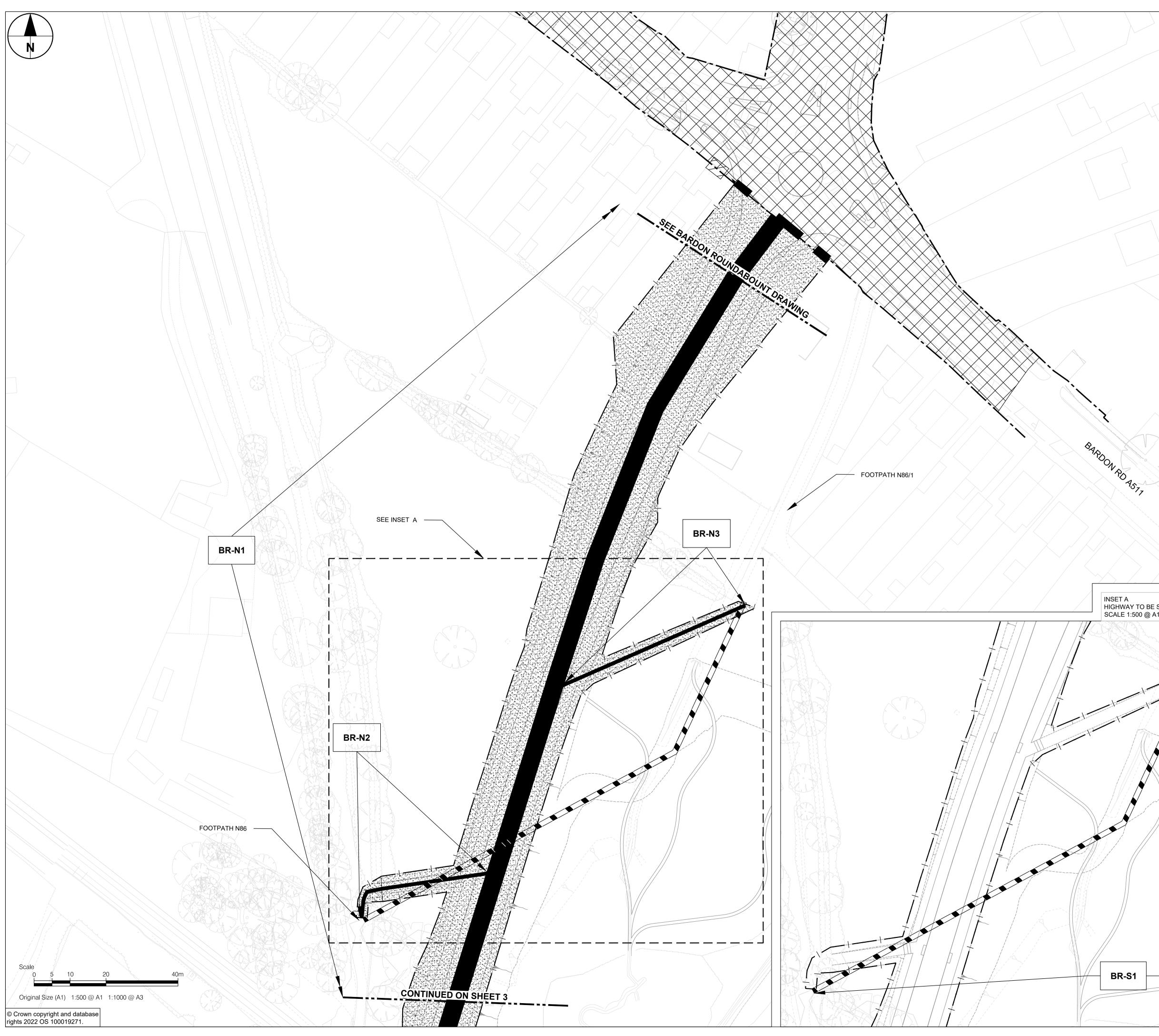
KEY

S*	Highway to be stopped up
H* 💥	Highway to be Improved
N*	Route of New Highway
X *	Private Means of Access Stopped Up
P*	New Private Means of Access
	Existing Highway Boundary
<u> </u>	Proposed Highway Boundary

ISSUE FOR REVIEW		AP JS	10/07/23	P01
UPDATED ISSUE FOR (CONSULTATION	AP JS	07/08/23	P02
REVISION DETAILS		BY CHECK	DATE	SUFFIX
PROJECT MANAGE	MENT INITIALS			
DESIGNED: AP	CHECKED: JS		APPROV	ED:AS
INTERNAL PROJEC	T NUMBER		S	SCALE
60710419				1:500
STATUS		BS119	92 SUITA	BILITY
STATUS FOR APPROVAL		BS119	92 SUITA	BILITY S4
		BS119	92 SUITA	

DRAWING NUMBER

60710419-ACM-LSI_BR-DR-ZL-0001





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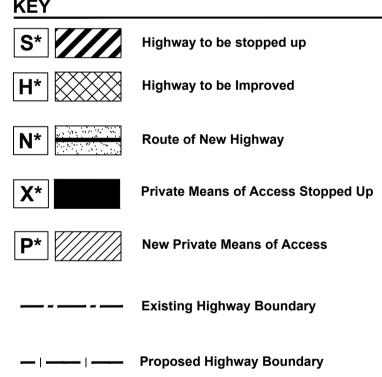
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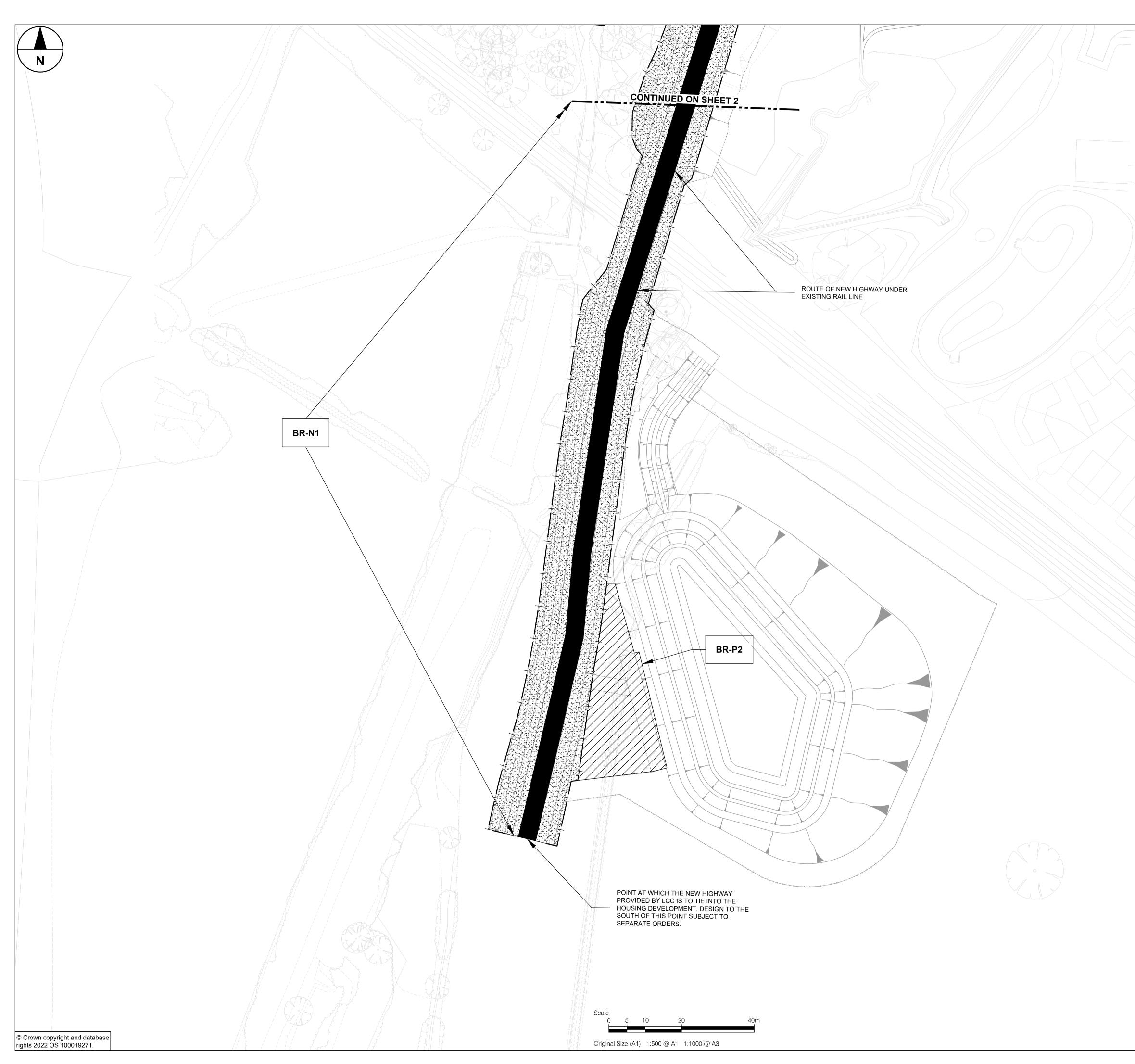
ISSUE FOR REVIEW		AP JS	10/07/23	P01
UPDATED ISSUE FOR CONSULTATION		AP JS	07/08/23	P02
REVISION DETAILS		BY CHECK	DATE	SUFFIX
PROJECT MANAGE	EMENT INITIALS			
DESIGNED: AP	CHECKED: JS		APPROV	ED:AS
INTERNAL PROJEC	CT NUMBER		Ś	SCALE
60710419				1:500
STATUS		BS119	92 SUITA	BILITY
FOR APPROVAL				S4
SHEET TITLE				
A511 GROWTH (BARDON ROAD SIDE ROAD ORD PLAN 2 OF 3	ROUNDABOUT	AND LI	NK ROA	۸D
DRAWING NUMBER	ર			REV

INSET A HIGHWAY TO BE STOPPED UP SCALE 1:500 @ A1 BR-S1

222

60710419-ACM-LSI_BR-DR-ZL-0002

P 02





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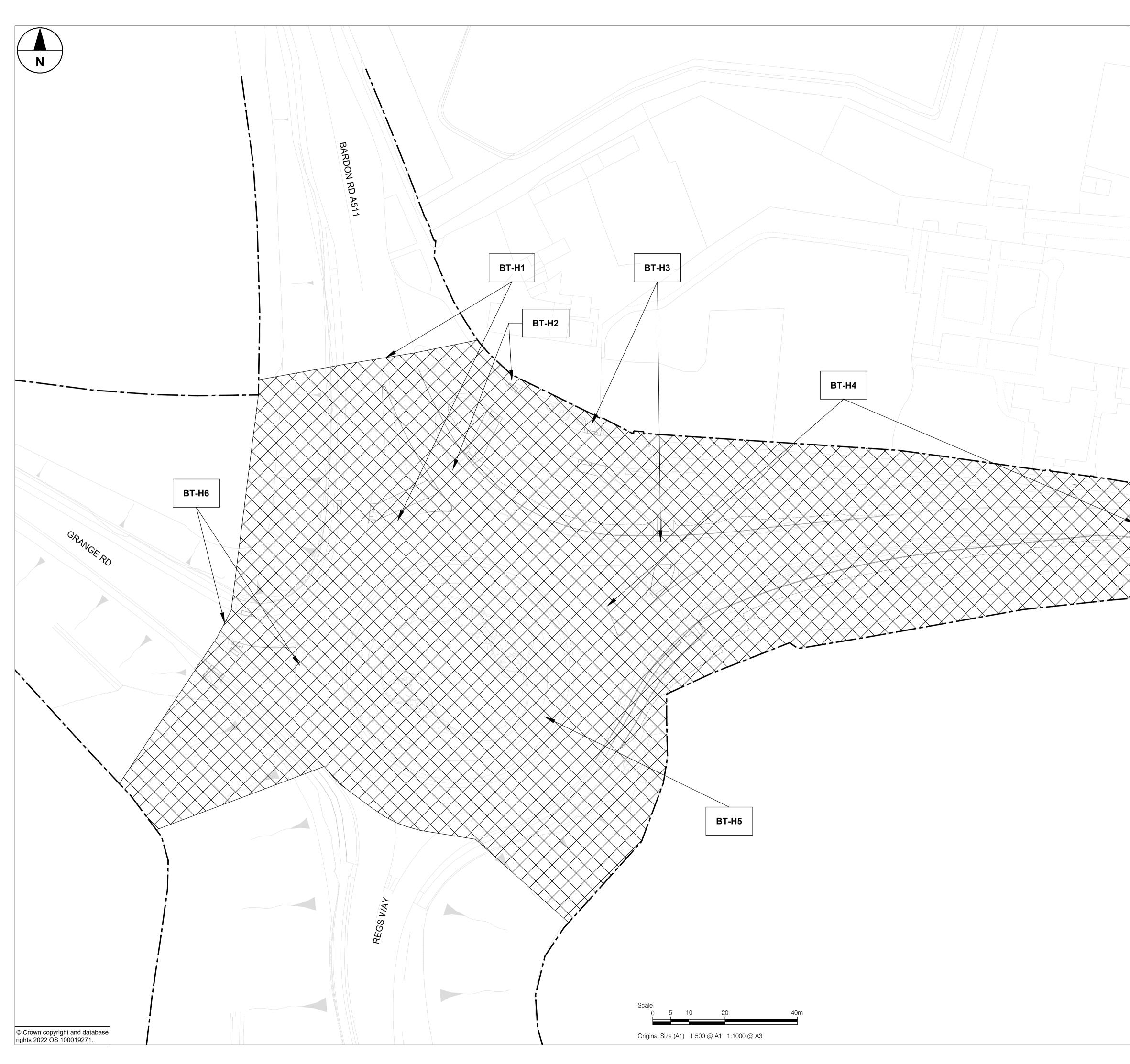
S*	Highway to be stopped up
H* 💥	Highway to be Improved
N*	Route of New Highway
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ISSUE FOR REVIEW		AP JS	10/07/23	P01
UPDATED ISSUE FO	R CONSULTATION	AP JS	07/08/23	P02
REVISION DETAILS		BY CHECK	DATE	SUFFIX
PROJECT MANAG	GEMENT INITIALS			
DESIGNED: AP	CHECKED: JS		APPROV	ED:AS
INTERNAL PROJE			S	SCALE
60710419				1:500
STATUS		BS119	2 SUITA	BILITY
FOR APPROVA	L			S4
SHEET TITLE				
A511 GROWTH BARDON ROAD SIDE ROAD OR PLAN 3 OF 3	ROUNDABOUT	AND LI	NK ROA	۸D
DRAWING NUMBE	ER			REV
60710419-ACM-LSL B	R-DR-71-0003			P 02

P 02

60710419-ACM-LSI_BR-DR-ZL-0003







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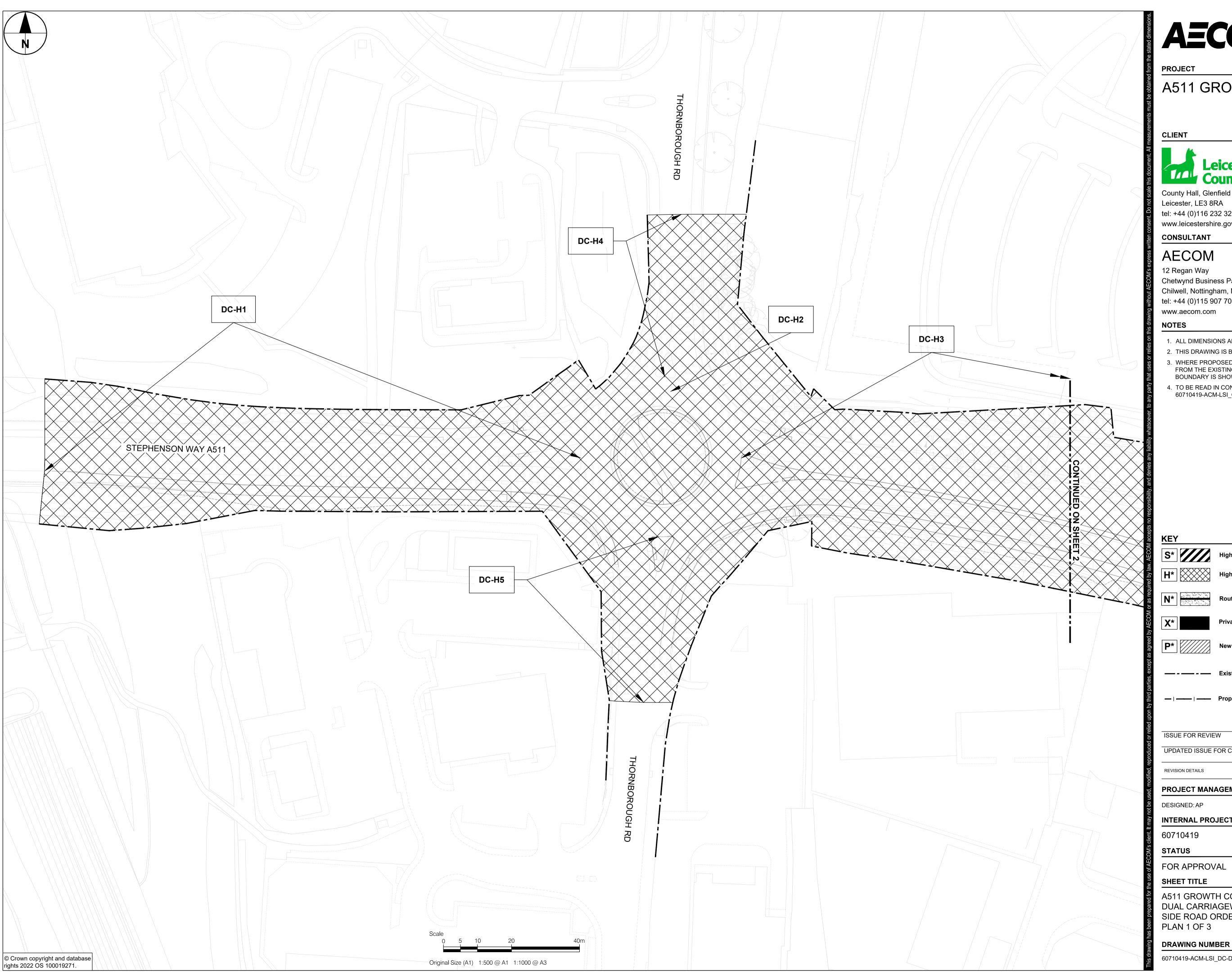
BARDON RD A511

S*	Highway to be stopped up
H* 8	Highway to be Improved
N*	Route of New Highway
X*	Private Means of Access Stopped Up
P*	New Private Means of Access
	Existing Highway Boundary
<u> </u>	Proposed Highway Boundary

ISSUE FOR REVIEW		AP JS	10/07/23	P01
UPDATED ISSUE FOR CC	NSULTATION	AP JS	07/08/23	P02
REVISION DETAILS		BY CHECK	DATE	SUFFIX
PROJECT MANAGEM	ENT INITIALS			
DESIGNED: AP	CHECKED:JS		APPROV	ED:AS
INTERNAL PROJECT	NUMBER		S	SCALE
60710419				1:500
STATUS		BS119	92 SUITA	BILITY
FOR APPROVAL				S4
SHEET TITLE				
A511 GROWTH CO BIRCH TREE ROUN SIDE ROAD ORDEN PLAN 1 OF 1	NDABOUT			
DRAWING NUMBER				REV

60710419-ACM-LSI_BT-DR-ZL-0001

P 02





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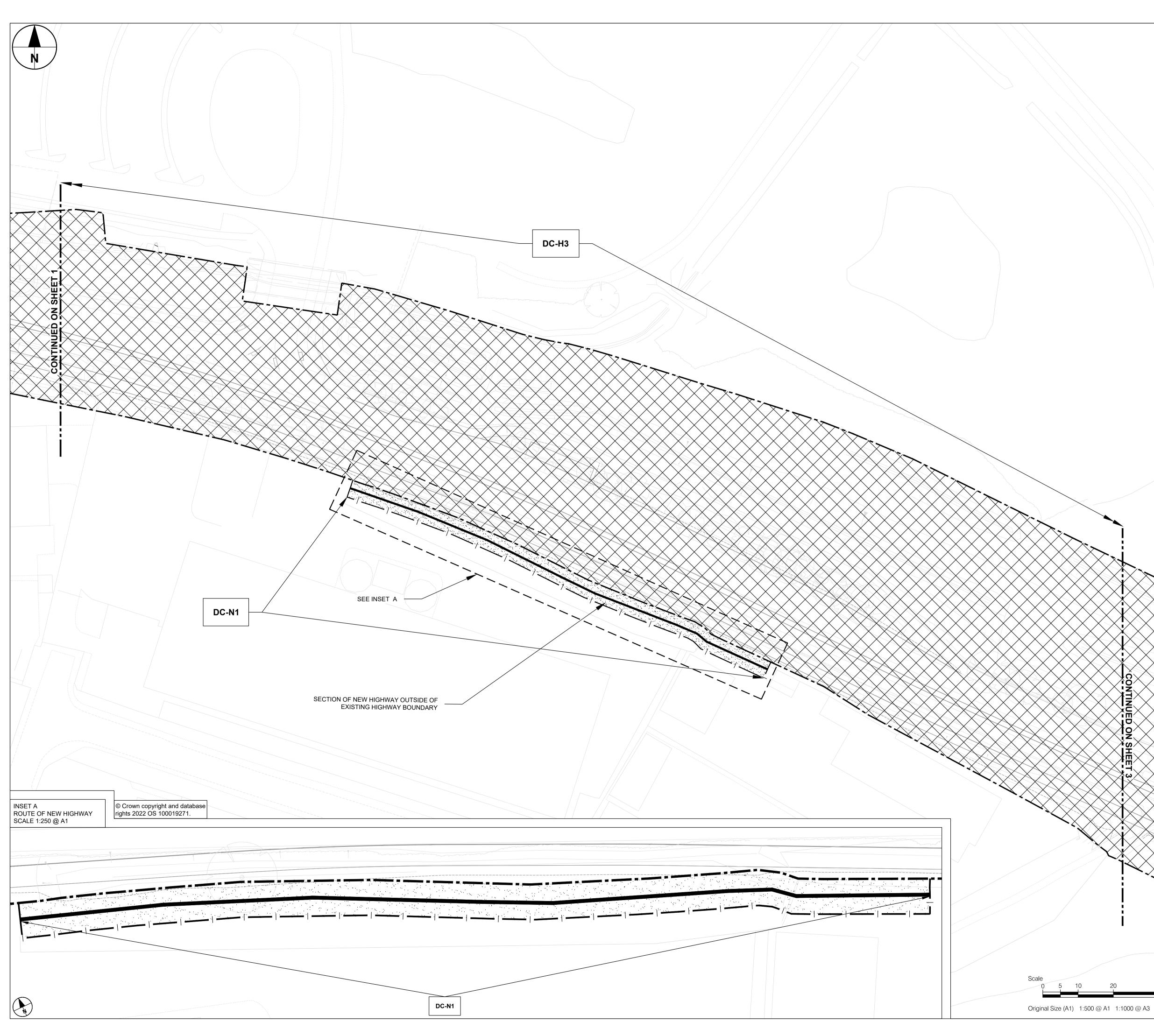
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H* 💥	Highway to be Improved
N*	Route of New Highway
X*	Private Means of Access Stopped Up
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	Existing Highway Boundary
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ISSUE FOR REVIEW		AP JS	10/07/23	P01
UPDATED ISSUE FOR CONSULTATION		AP JS	07/08/23	P02
REVISION DETAILS		BY CHECK	DATE	SUFFIX
PROJECT MANAG	EMENT INITIALS			
DESIGNED: AP	CHECKED: JS		APPROV	ED:AS
INTERNAL PROJE	CT NUMBER		S	SCALE
60710419				1:500
STATUS		BS119	92 SUITA	BILITY
FOR APPROVAL	-			S4
SHEET TITLE				
A511 GROWTH DUAL CARRIAG SIDE ROAD ORI	EWAY			_

60710419-ACM-LSI_DC-DR-ZL-0001

REV P 02





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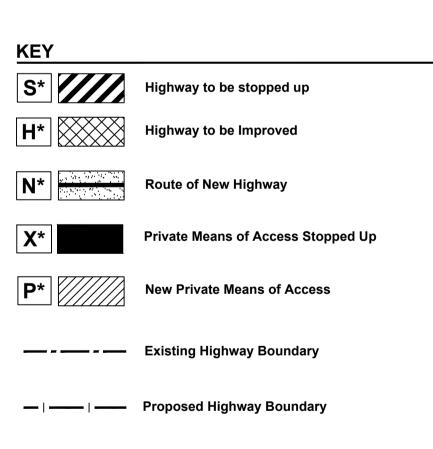
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UPDATED ISSUE FOR	CONSULTATION	AP JS	04/08/23	P02
REVISION DETAILS		BY CHECK	DATE	SUFFIX
PROJECT MANAGE	EMENT INITIALS			
DESIGNED: AP	CHECKED: JS		APPROV	ED:AS
INTERNAL PROJEC			S	SCALE
60710419				1:500
STATUS		BS119	92 SUITA	BILITY
FOR APPROVAL				S4
SHEET TITLE				
A511 GROWTH (DUAL CARRIAGE SIDE ROAD ORE PLAN 2 OF 3	EWAY			
DRAWING NUMBEI	R			REV

60710419-ACM-LSI_DC-DR-ZL-0002

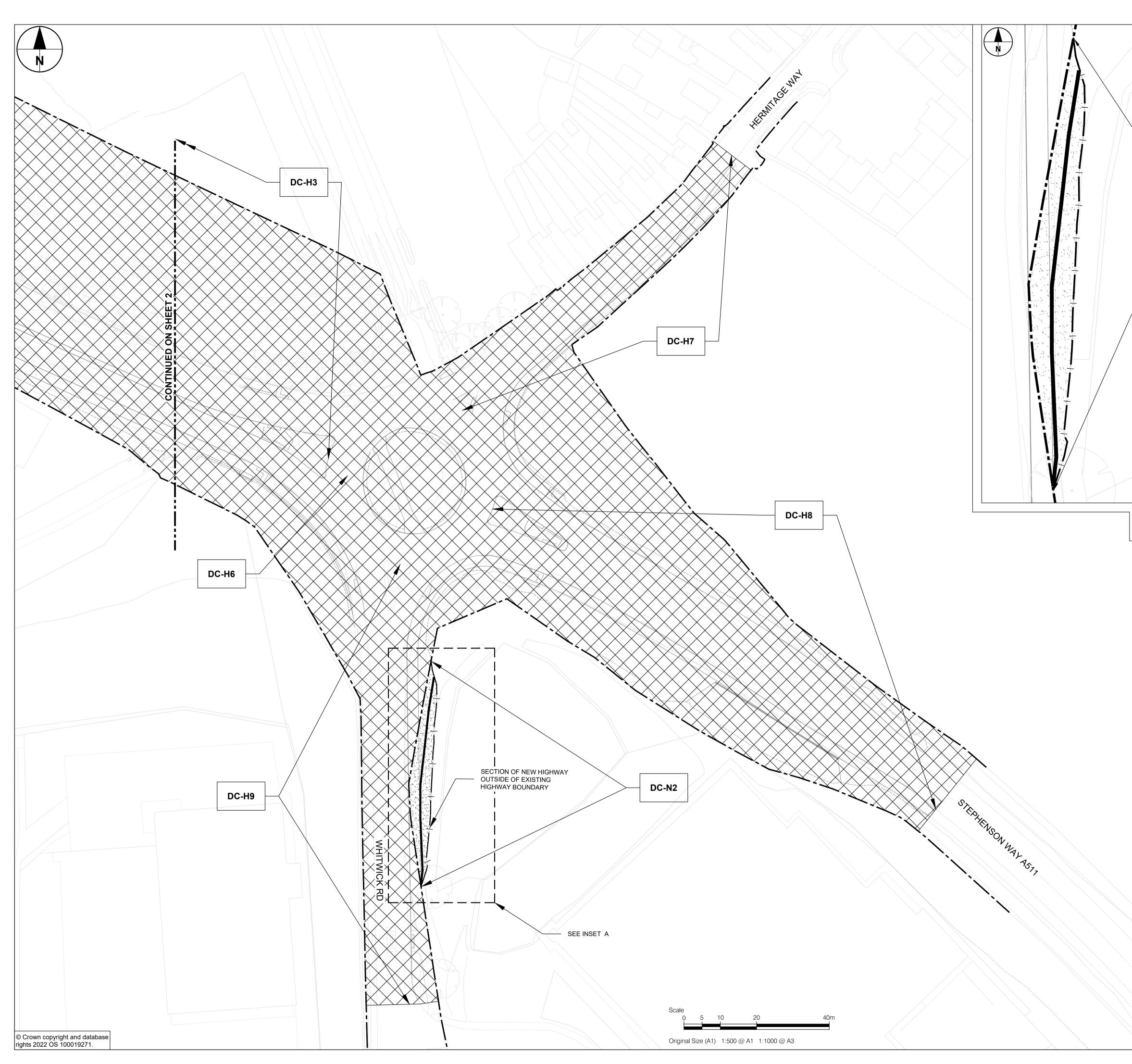
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CONTINUED ON SHEET

P 02







A511 GROWTH CORRIDOR

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DC-N2

INSET A ROUTE OF NEW HIGHWAY

SCALE 1:250 @ A1



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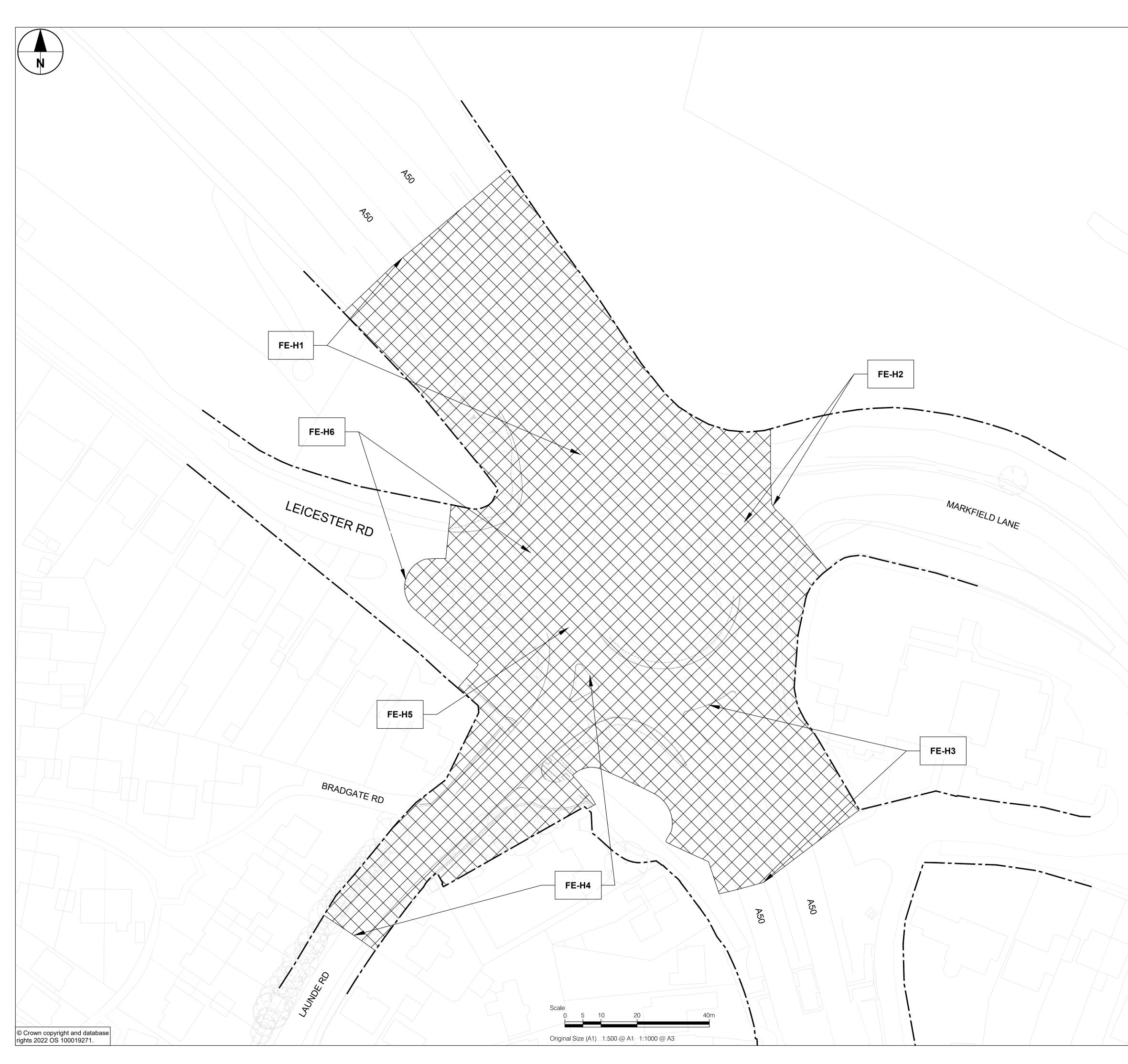
KEY

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ISSUE FOR REVIEW 10/07/23 P01 UPDATED ISSUE FOR CONSULTATION JS 07/08/23 P02 **REVISION DETAILS** DATE SUFFIX CHECK PROJECT MANAGEMENT INITIALS CHECKED: JS APPROVED: AS DESIGNED: AP INTERNAL PROJECT NUMBER SCALE 60710419 1:500 STATUS BS1192 SUITABILITY FOR APPROVAL S4

SHEET TITLE A511 GROWTH CORRIDOR DUAL CARRIAGEWAY SIDE ROAD ORDER PLAN 3 OF 3

DRAWING NUMBER	REV
PLAN 3 OF 3	
SIDE ROAD ORDER	





A511 GROWTH CORRIDOR

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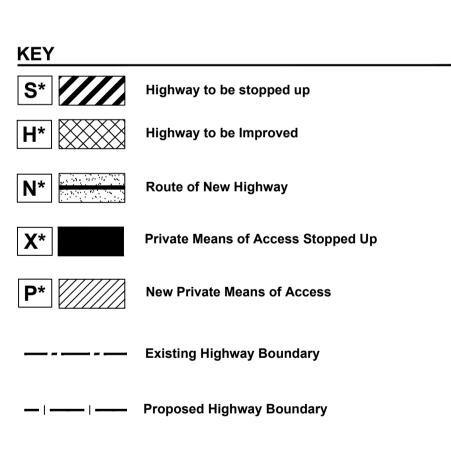
CONSULTANT

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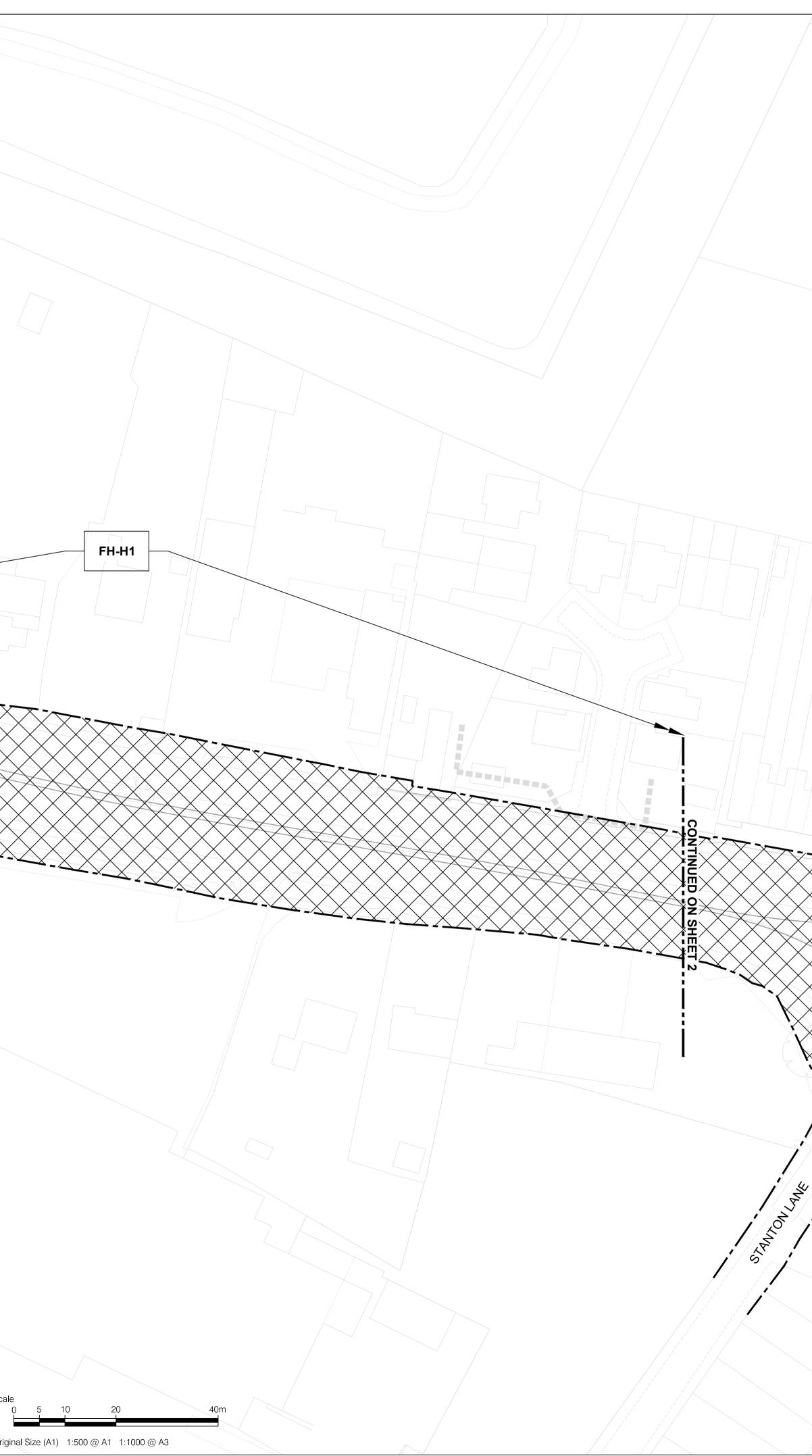
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		REV
		S4
BS119	92 SUITA	BILITY
		1:500
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AP JS	07/08/23	P02
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A511 GROWTH CORRIDOR

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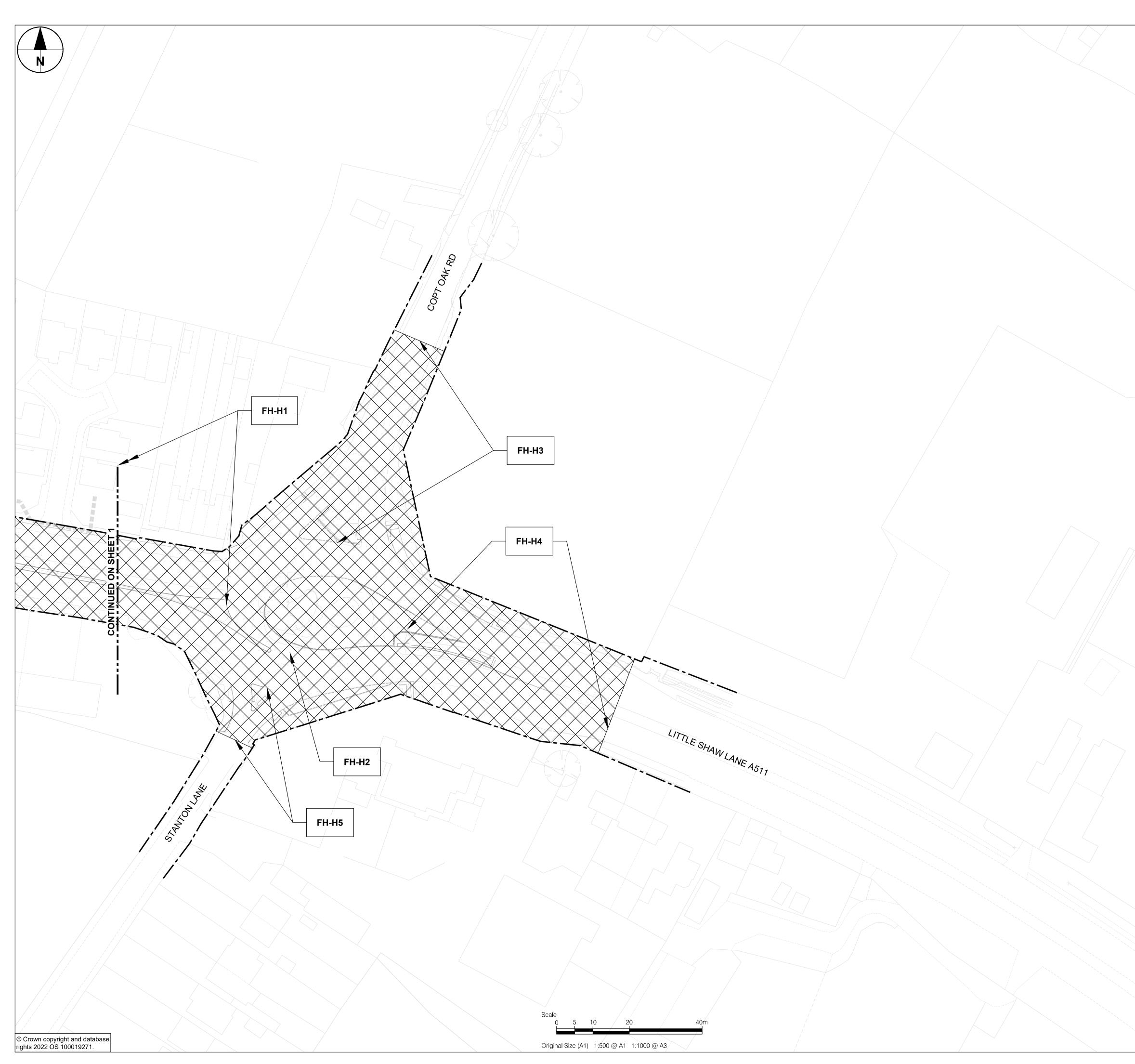
KEY

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H* 💥	Highway to be Improved
N*	Route of New Highway
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P*	New Private Means of Access
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— I —— I ——	Proposed Highway Boundary

ISSUE FOR REVIEW		AP JS	10/07/23	P01
UPDATED ISSUE FOR C	CONSULTATION	AP JS	07/08/23	P02
REVISION DETAILS		BY CHECK	DATE	SUFFIX
PROJECT MANAGE	MENT INITIALS			
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INTERNAL PROJEC	T NUMBER		Ş	SCALE
60710419				1:500
STATUS		BS119	92 SUITA	BILITY
FOR APPROVAL				S4
SHEET TITLE				
A511 GROWTH C FLYING HORSE F SIDE ROAD ORDE PLAN 1 OF 2	ROUNDABOUT			
DRAWING NUMBER				REV

60710419-ACM-LSI_FH-DR-ZL-0001







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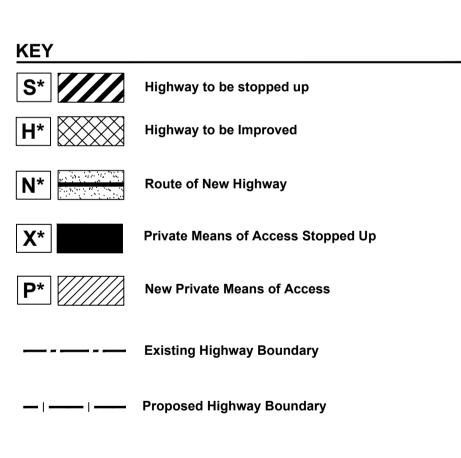
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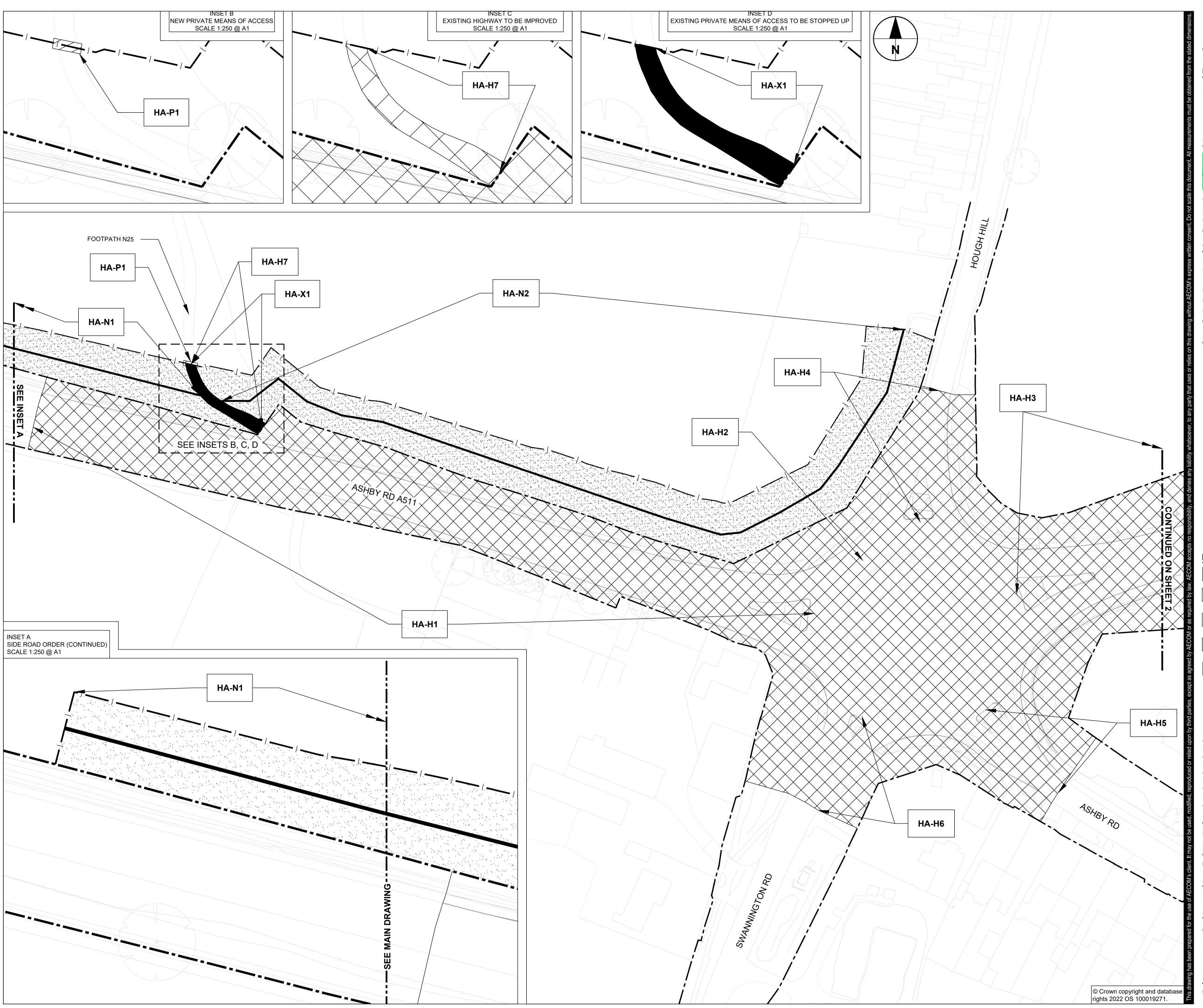


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UPDATED ISSUE FOR	RCONSULTATION	AP JS	07/08/23	P02
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STATUS		BS119	92 SUITA	BILITY
FOR APPROVAL	_			S4
SHEET TITLE				
A511 GROWTH FLYING HORSE SIDE ROAD ORI PLAN 2 OF 2	ROUNDABOUT			
DRAWING NUMBE	R			REV

60710419-ACM-LSI_FH-DR-ZL-0002

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P 02





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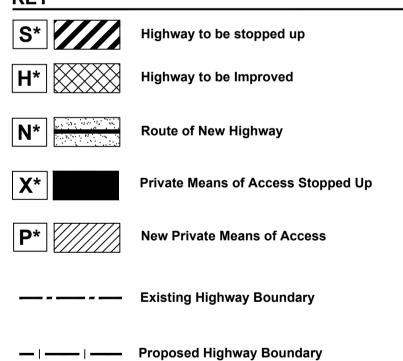
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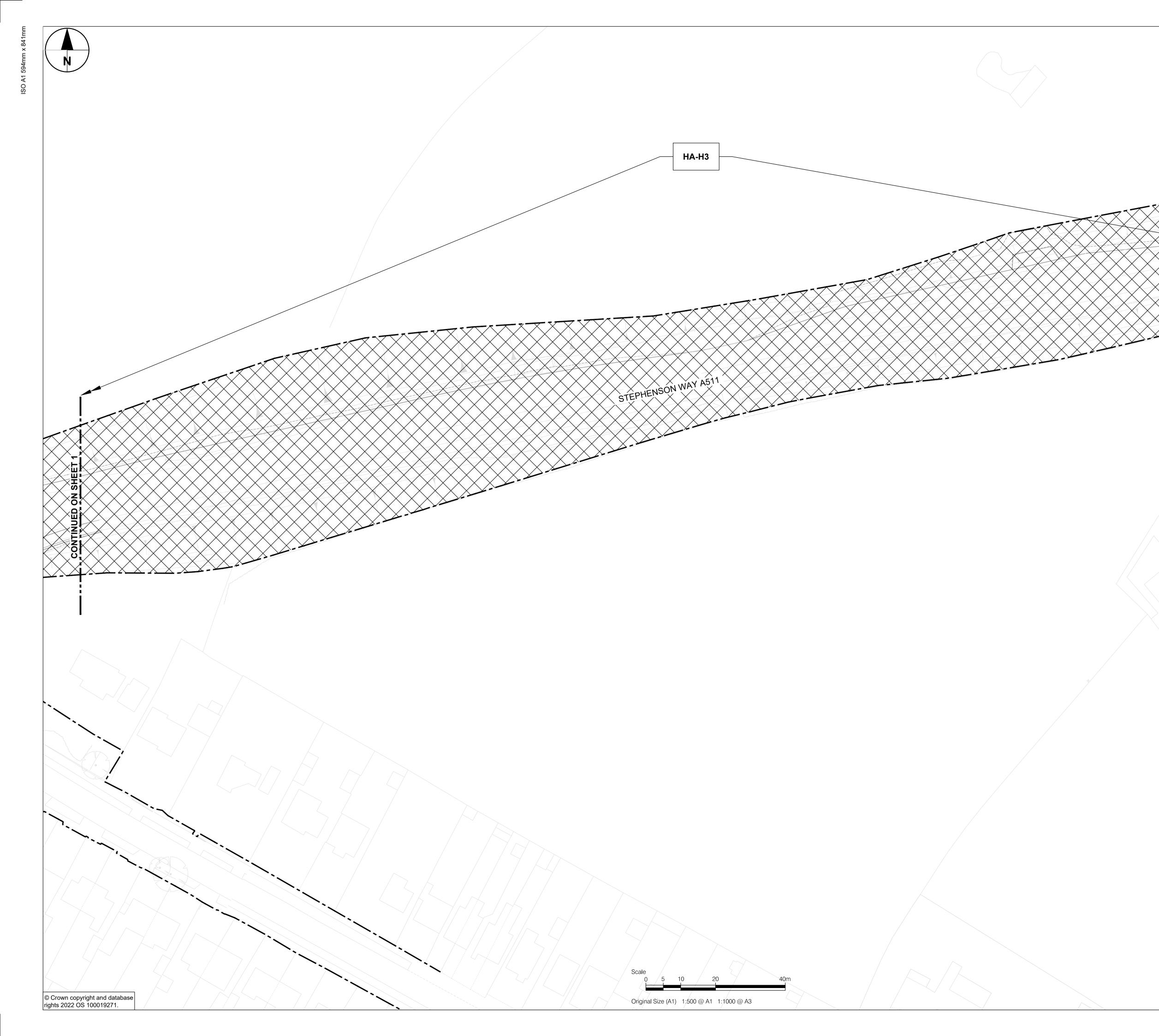




ISSUE FOR REVIEW AF 10/07/23 P01 UPDATED ISSUE FOR CONSULTATION 07/08/23 P02 UPDATES TO CONSULTATION JS 21/08/23 P03 AP FOLLOWING LEGAL REVIEW DATE SUFFIX **REVISION DETAILS** CHECK **PROJECT MANAGEMENT INITIALS** DESIGNED: AP CHECKED: JS APPROVED: AS INTERNAL PROJECT NUMBER SCALE 60710419 1:500 **BS1192 SUITABILITY** STATUS FOR APPROVAL S4 SHEET TITLE A511 GROWTH CORRIDOR

HOO ASH ROUNDABOUT

SIDE ROAD ORDER PLAN 1 OF 2 DRAWING NUMBER REV 60710419-ACM-LSI_HA-DR-ZL-0001





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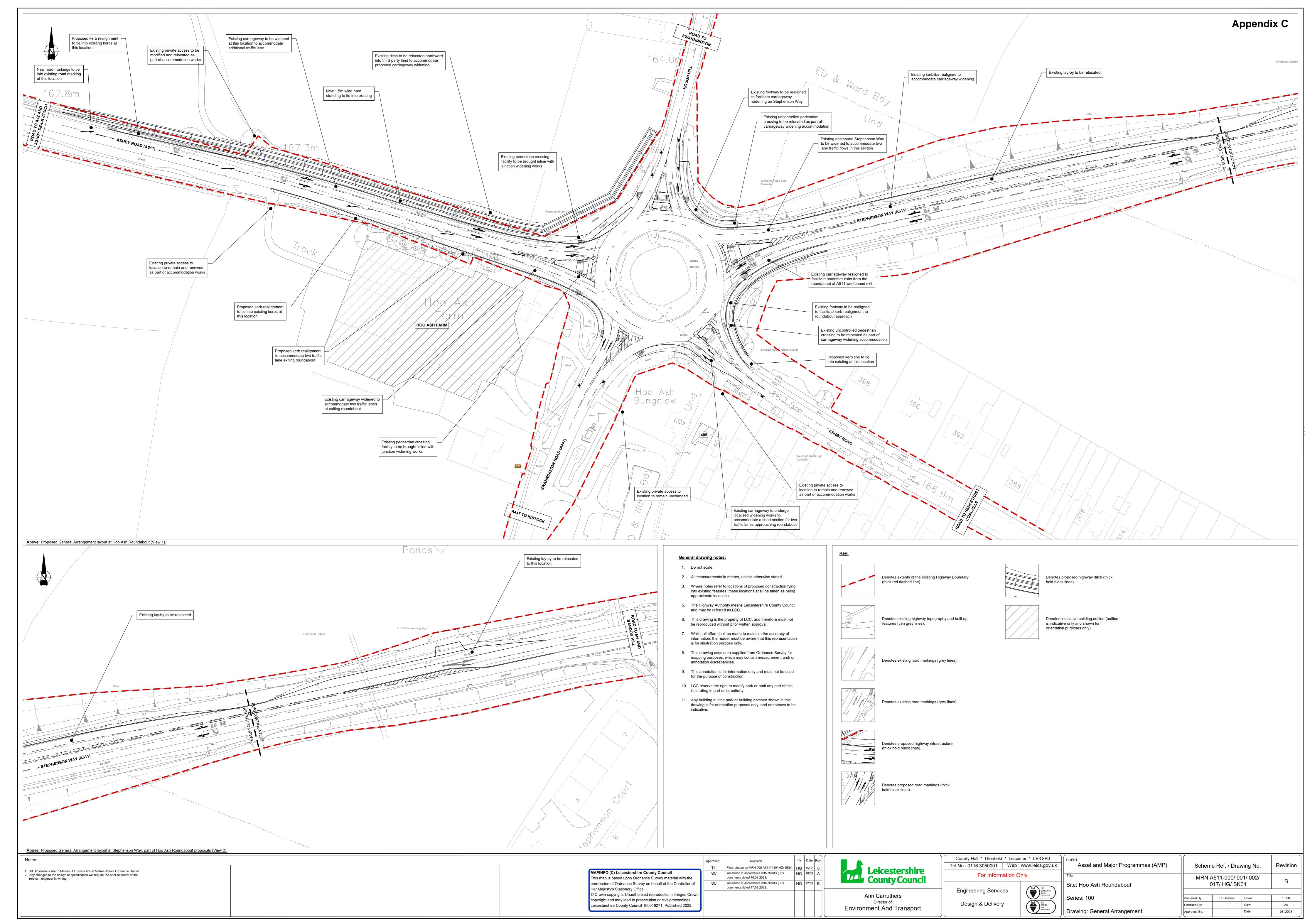
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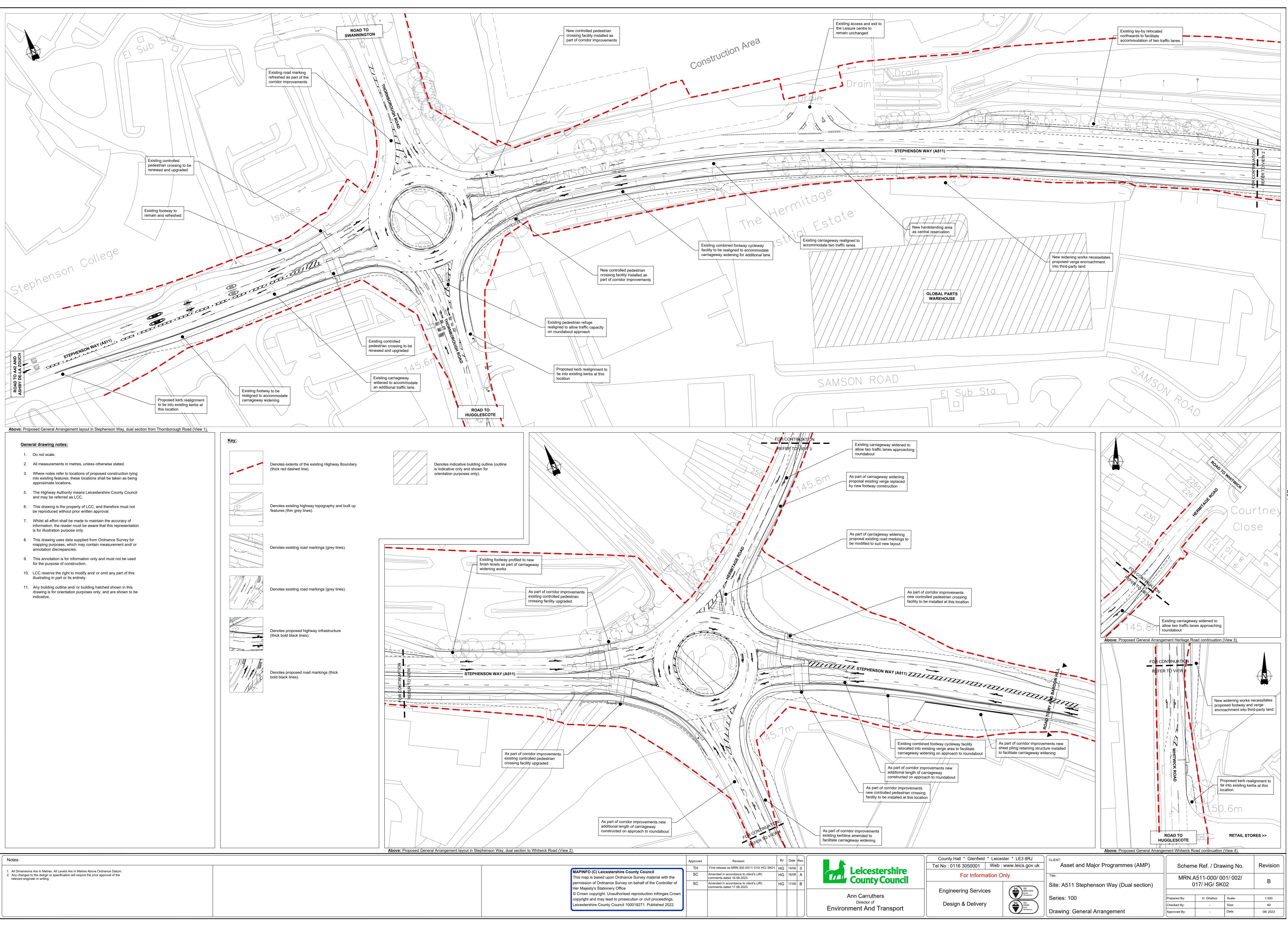
KEY	
S*	Highway to be stopped up
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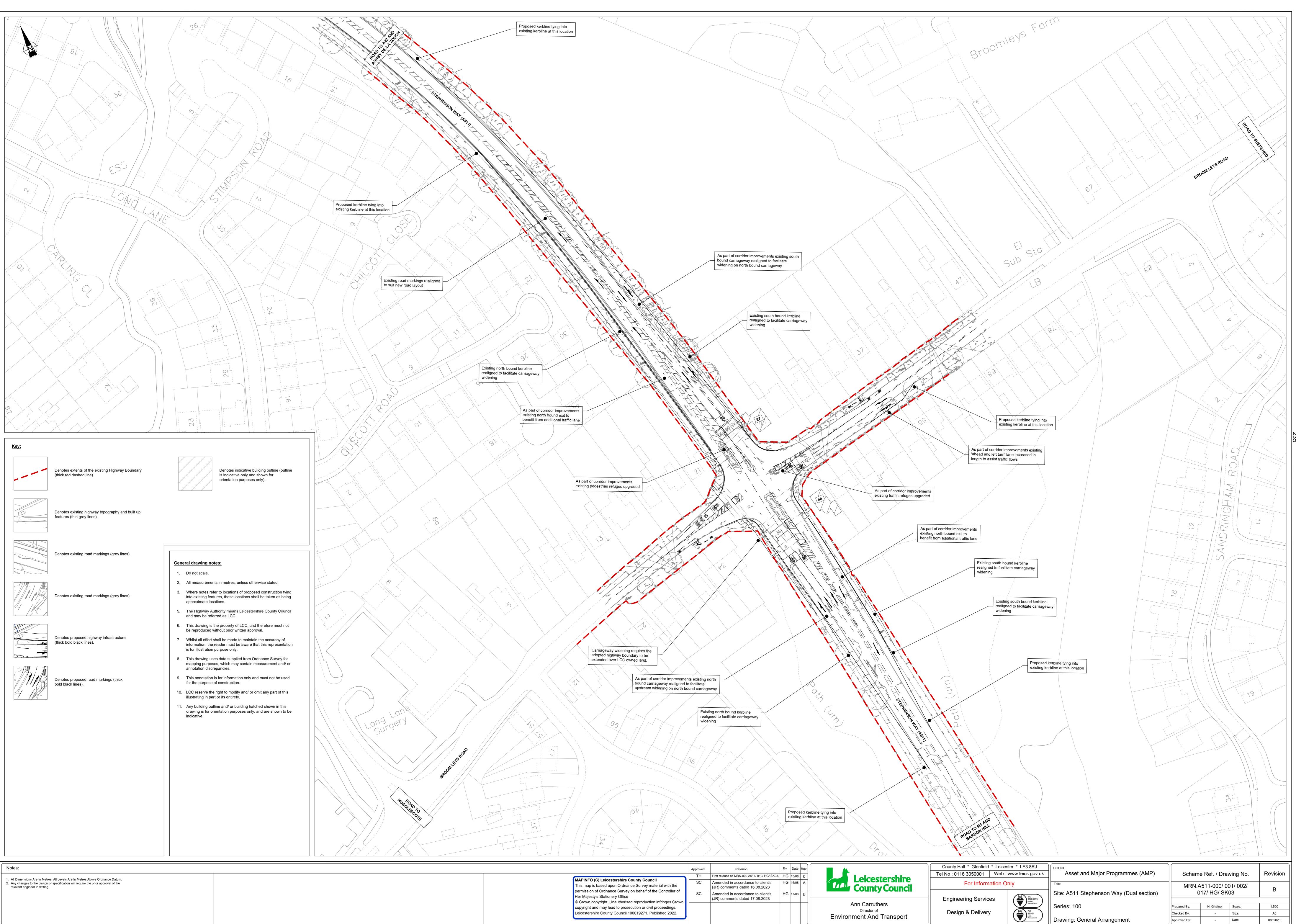
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UPDATED ISSUE FOR CONSULT	ATION	AP JS	07/08/23	P02
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PROJECT MANAGEMENT IN	ITIALS			
DESIGNED: AP CHEC	KED:JS		APPROV	ED:AS
INTERNAL PROJECT NUMB	ER		S	SCALE
60710419				1:500
STATUS		BS119	92 SUITA	BILITY
FOR APPROVAL				S4
SHEET TITLE				
A511 GROWTH CORRID HOO ASH ROUNDABOU SIDE ROAD ORDER PLAN 2 OF 2	-			

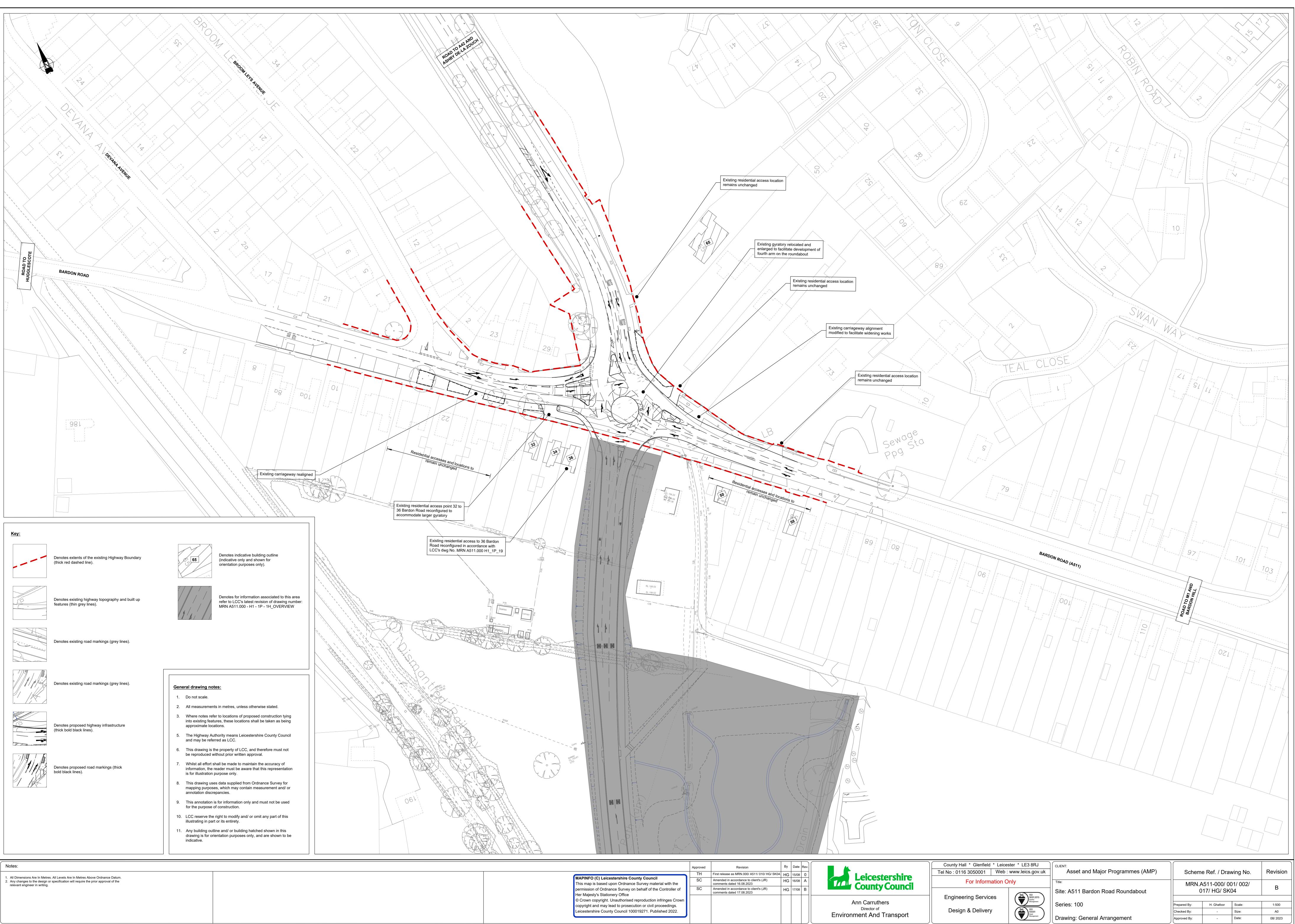
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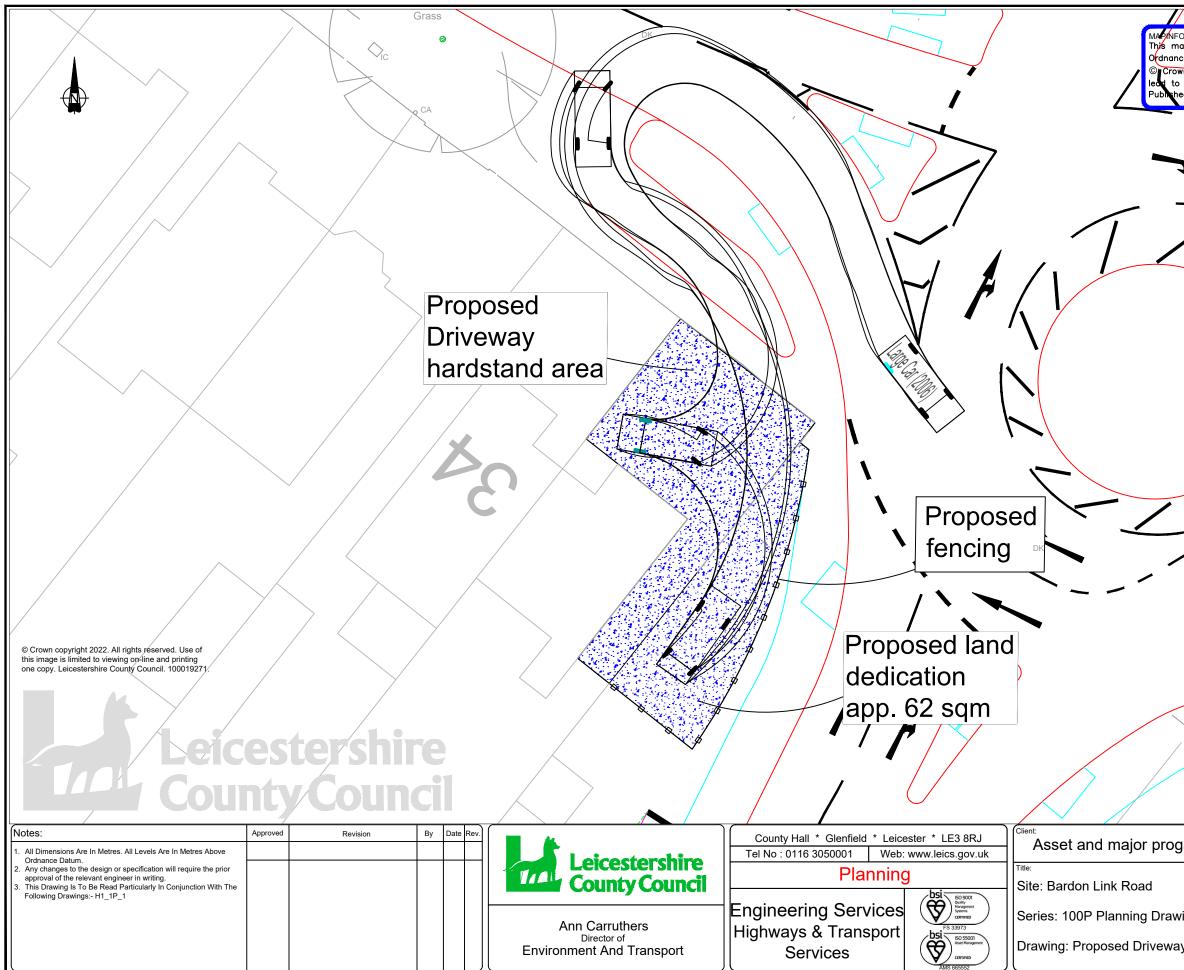
J v.uk	CLIENT: Asset and Major Programmes (AMP)	Schem	e Ref. / Drav	wing No.	Revision
15	Title: Site: Hoo Ash Roundabout	MRN.A511-000/ 001/ 002/ 017/ HG/ SK01		В	
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	Drawing: General Arrangement	Checked By: Approved By:	-	Size: Date:	A0 08/ 2023





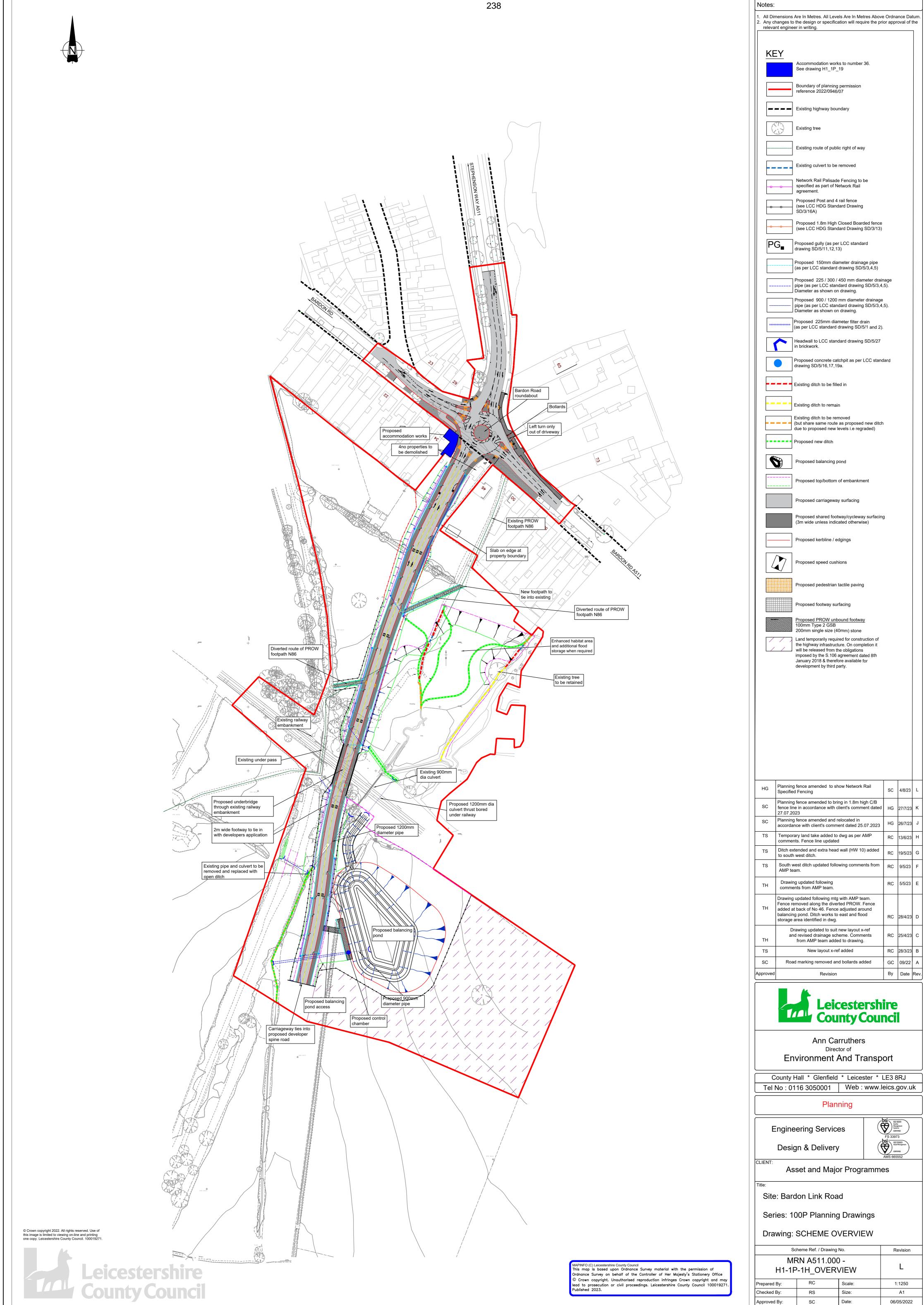


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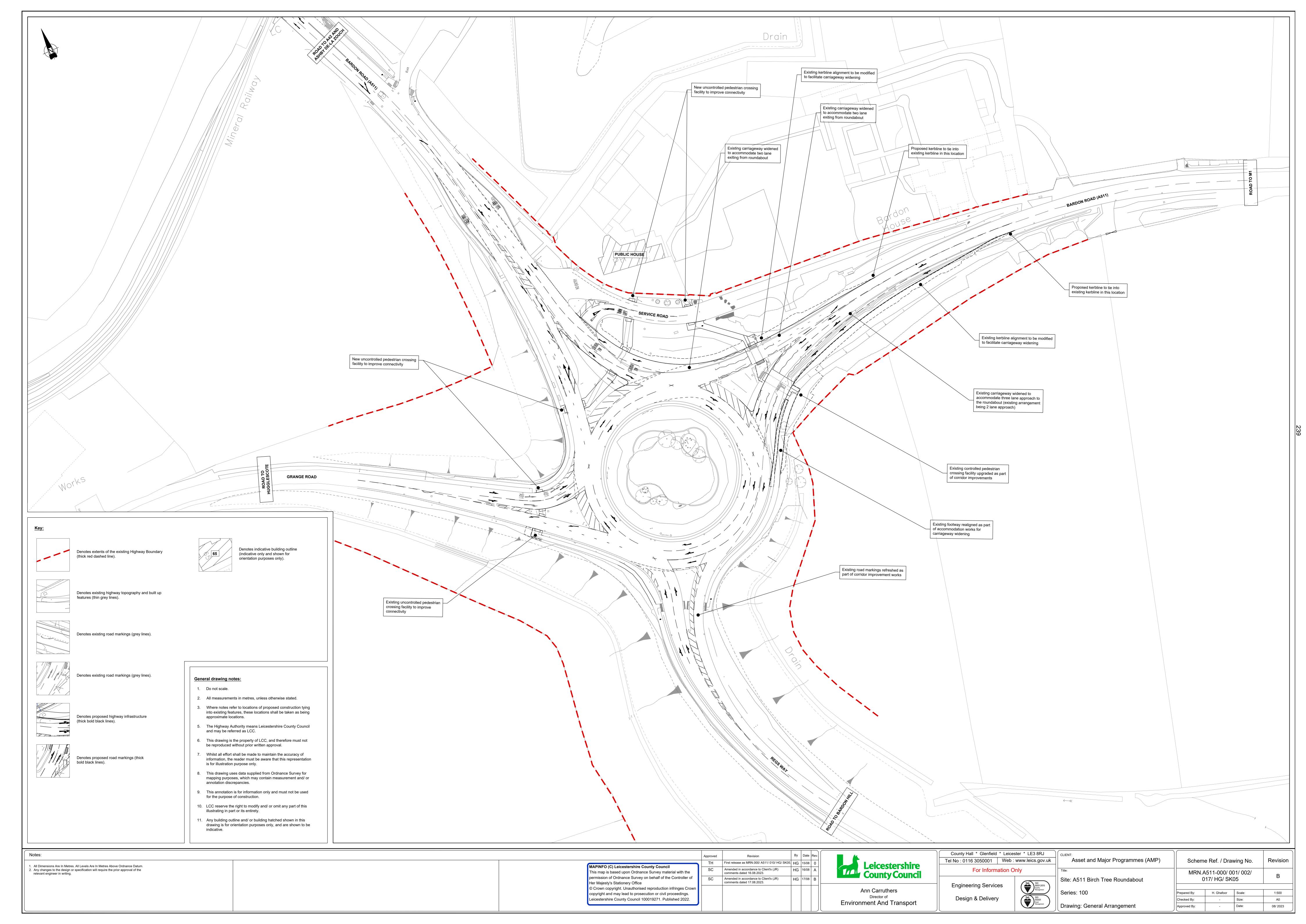


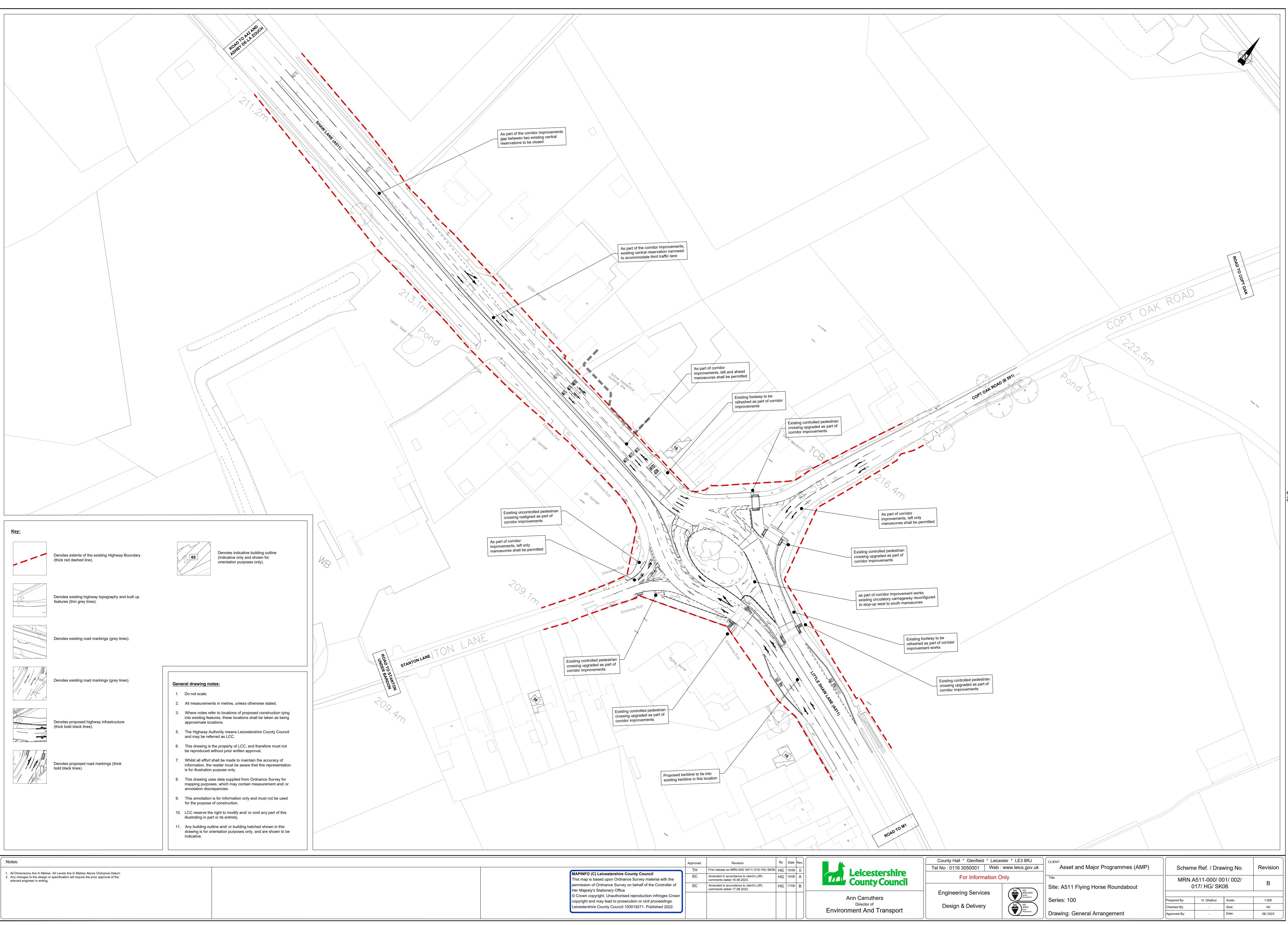
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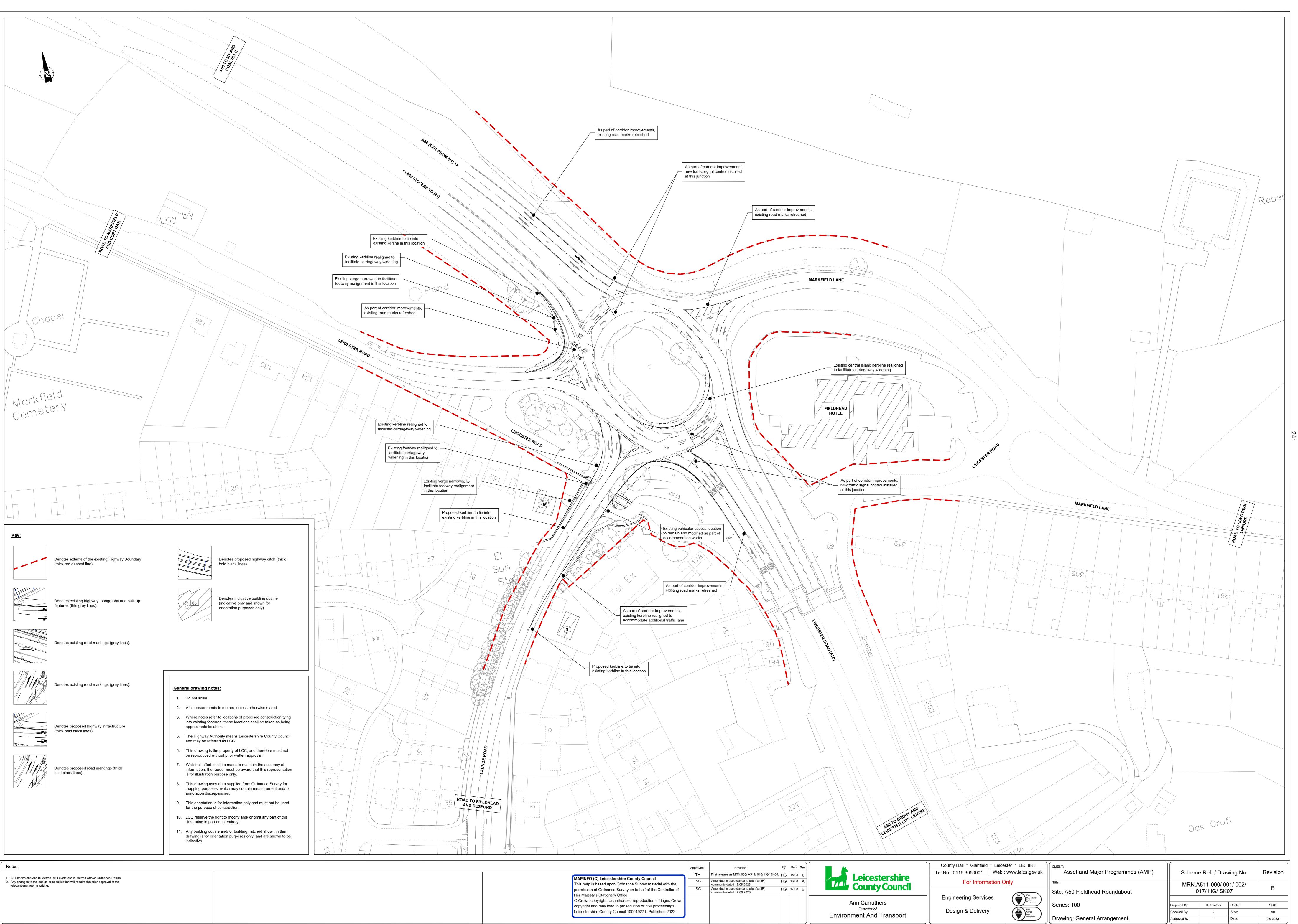




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Ann Carruthers
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CABINET - 15 SEPTEMBER 2023

VERTICAL TRAFFIC CALMING PROPOSAL, WALTON WAY, MOUNTSORREL

REPORT OF THE DIRECTOR OF ENVIRONMENT AND TRANSPORT

<u>PART A</u>

Purpose of the Report

1. The purpose of this report is to seek approval for the implementation of proposed vertical traffic calming measures (seven pairs of speed cushions and a single speed table at the junction with West Cross Lane) along Walton Way, Mountsorrel.

Recommendations

2. It is recommended that the Cabinet approves implementation of the vertical traffic calming measures as shown on drawing number ES0023/H2/40/1, attached as Appendix A to this report.

Reasons for Recommendation

- 3. The proposed scheme satisfies a Section 106 (planning) obligation attached to a development at Mountsorrel Lane, Rothley to implement traffic calming on Walton, Way, Mountsorrel and would be in the interest of road safety by reducing vehicle speeds.
- 4. The Local Member, Mr. L. Hadji-Nikolaou CC, does not support the proposals and therefore the Cabinet's determination is required.

Timetable for Decisions (including Scrutiny)

5. Subject to the Cabinet's approval, the Department would commence detailed design and mobilisation for construction of the proposals. The Section 106 funding is to be spent by 14 December 2023.

Policy Framework and Previous Decisions

6. The scheme contributes to the 'Safe and Well' outcome of the Council's Strategic Plan and Local Transport Plan 3 (LTP3) goal of 'Improving Road Safety'.

- Approval of minor transport schemes such as this is delegated to the Director of Environment and Transport (subject to a financial limit of £1m in any single case), following consultation with the Cabinet Lead Member, and subject to the support of relevant Local Members.
- 8. The Local Member for Rothley and Mountsorrel, Mr. L. Hadji-Nikolaou CC, has indicated he cannot support the proposals and therefore the matter has been referred to the Cabinet for determination.

Resource Implications

- 9. The estimated cost of the proposed scheme is £140,000, which will be covered by the £103,000 Section 106 contribution and the Council's road safety capital budget.
- 10. The Director of Corporate Resources and the Director of Law and Governance have been consulted on this report.

Circulation under the Local Issues Alert Procedure

Mr L. Hadji-Nikolaou CC

Officer(s) to Contact

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245

<u>PART B</u>

Background

- 11. During the planning consultation for the Mountsorrel Lane, Rothley development under planning references P/12/2005/2 and P/12/2456/2, residents raised concerns regarding speeding along Walton Way. A Section 106 agreement was subsequently formulated and signed in December 2013 and included a contribution "towards traffic calming along Walton Way, Mountsorrel". The contribution of £103,000 was received by the Council on 14 December 2018, with the condition that it be spent within five years.
- 12. The proposals are for seven pairs of speed cushions along Walton Way and a single speed table at the junction with West Cross Lane including the removal of a pedestrian refuge at that junction. Dropped kerbs and tactile paviours are to be provided at the speed table creating a level crossing plateau for pedestrians.
- 13. Walton Way functions as a local distributor road, with less than 20 frontages along its 1.25 km length and diverts vehicular traffic around the centre of Mountsorrel. It is subject to a 30mph speed limit.
- 14. Speed surveys were conducted in November 2021 at three locations along Walton Way. The surveys determined 85th percentile speeds, at the peak AM and PM hours, to be an average of 36mph.

Location	85 th percentile	Mean
1 – North of Carisbrooke Road junction AM Peak	36.5	29.9
1 – North of Carisbrooke Road junction PM Peak	36.1	29.7
2 – North of West Cross Lane junction AM Peak	34.4	28.8
2 – North of West Cross Lane junction PM Peak	33.9	29.3
3 – East of Renning End junction AM Peak	37.9	32.5
3 – East of Renning End junction PM Peak	36.9	31.8

15. The aim of the proposals is to mitigate the impact of the Mountsorrel Lane development by reducing vehicle speeds and improving road safety for pedestrians, cyclists and other vulnerable road users who also use Walton Way.

Consultation

- 16. A public consultation on the proposals was undertaken for three weeks from 8 February 2023 to 1 March 2023.
- 17. The proposals were advertised in the local press and on the Council's website. Statutory notices were posted on site for the consultation period.
- 18. The following responses were received:

Consultee	Response		
Formal consultation with a	General	No comments	Do not support the
letter and drawing sent to:	agreement with	received	proposals
	the proposals		
Mr. L. Hadji-Nikolaou CC			1
Mountsorrel Parish			1
Council			
Rothley Parish Council		1	
Charnwood Borough		1	
Council			
Leicestershire Police		1	
Ambulance Service		1	
Leics. Fire and Rescue		1	
Service			
Road Haulage Association		1	
Freight Transport		1	
Association			
Local residents (745	8	702	35
letters sent)			
TOTAL	8	709	37

- 19. All responses received have been reviewed and are summarised in Appendix B to this report along with an officer response.
- 20. The main concerns and objections raised centred around the matters in the table below. An officer response to each issue has been provided.

Issue	Officer Response
Damage caused to vehicles by vertical traffic calming features	Features are to standard national design. The Department for Transport has conducted research that concluded vertical traffic calming measures do not damage vehicles when negotiated at appropriate speeds.
No speeding/accident issue to address	Speed surveys undertaken indicate average 85 percentile speeds (the speed at which 85% of vehicles are travelling at or below) are at 36mph.

Issue	Officer Response
The proposals will generate noise pollution and vibrations	The speed cushions should encourage motorists that drive at excessive speeds to travel at a lower speed which will mitigate any increase in noise and vibration levels.
Expressed a preference for vehicle activated signs	Vertical traffic calming measures are considered by the Local Highway Authority to be the most effective solution at controlling traffic speeds.
Displacement of vehicles to other routes to avoid the traffic calming	Due to Walton Way serving as a distributor road, the expected displacement of vehicles is expected to be negligible.

- 21. Concerns and objections were also received about the removal of the pedestrian refuge at the Walton Way junction with West Cross Lane. In response to those concerns it is now intended to retain the pedestrian refuge, which is now shown on drawing number ES0023/H2/40/1 (Appendix A).
- 22. The Police, Freight Transport Association, Road Haulage Association, and other statutory consultees have raised no objections to the proposals.
- 23. All comments received about the proposals are reproduced in full in Appendix C attached to this report.

Local Member and Mountsorrel Parish Council Objection

- 24. Mr. L. Hadji-Nikolaou CC and the Mountsorrel Parish Council have objected to the proposals and have expressed a preference for the funding to be reallocated towards an improved pedestrian crossing outside Christ Church and St. Peters C of E Primary School on Rothley Road, Mountsorrel. The crossing is a priority of Mountsorrel Parish Council for improving safety in the area.
- 25. The introduction of a crossing in this location would be subject to the successful outcome of a full crossing assessment including the collation and review of pedestrian and vehicle volume data, speed and accident data along with other frontage development factors.
- 26. Furthermore, the reallocation of the Section 106 funding towards the implementation of a crossing would require a deed of variation to the Section 106 Agreement, which would be subject to the agreement of the developer. Neither a deed of variation, the costs of which would have to be borne by the Council, nor the crossing assessment and subsequent measures could be consulted upon and constructed ahead of the expiry of the contribution in December 2023.
- 27. Due to these reasons officers are unable to support the reallocation request.

Conclusion

- 28. It is the duty of the Council in its Local Highway Authority role to maintain the safe movement of traffic. These proposals address road safety issues identified during the planning process.
- 29. The Council consulted on traffic calming measures along Walton Way, Mountsorrel in alignment with the obligation as set out in the Section 106 agreement associated with the Mountsorrel Lane, Rothley development. On consideration of the comments and objections received, including those by Mr. L. Hadji-Nikolaou CC and Mountsorrel Parish Council that expressed a preference for reallocation of funds towards a pedestrian crossing, it is recommended to implement the scheme as proposed at consultation with the amendment of retaining the pedestrian crossing refuge at the West Cross Lane junction.

Equality Implications

30. There are no adverse equality implications arising from the recommendations in this report. The reduction of vehicle speeds from the proposals are likely to benefit, by increasing road safety, disabled people and young pedestrians who have a protected characteristics within the Equality Act 2010. This will assist the Council in meeting its Public Sector Equality Duty to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.

Human Rights Implications

31. There are no human rights implications arising from the recommendations in this report.

Background Papers

Local Transport Planning in Leicestershire 2011-2026: Leicestershire Local Transport Plan 3 - <u>https://shorturl.at/cfoY4</u>

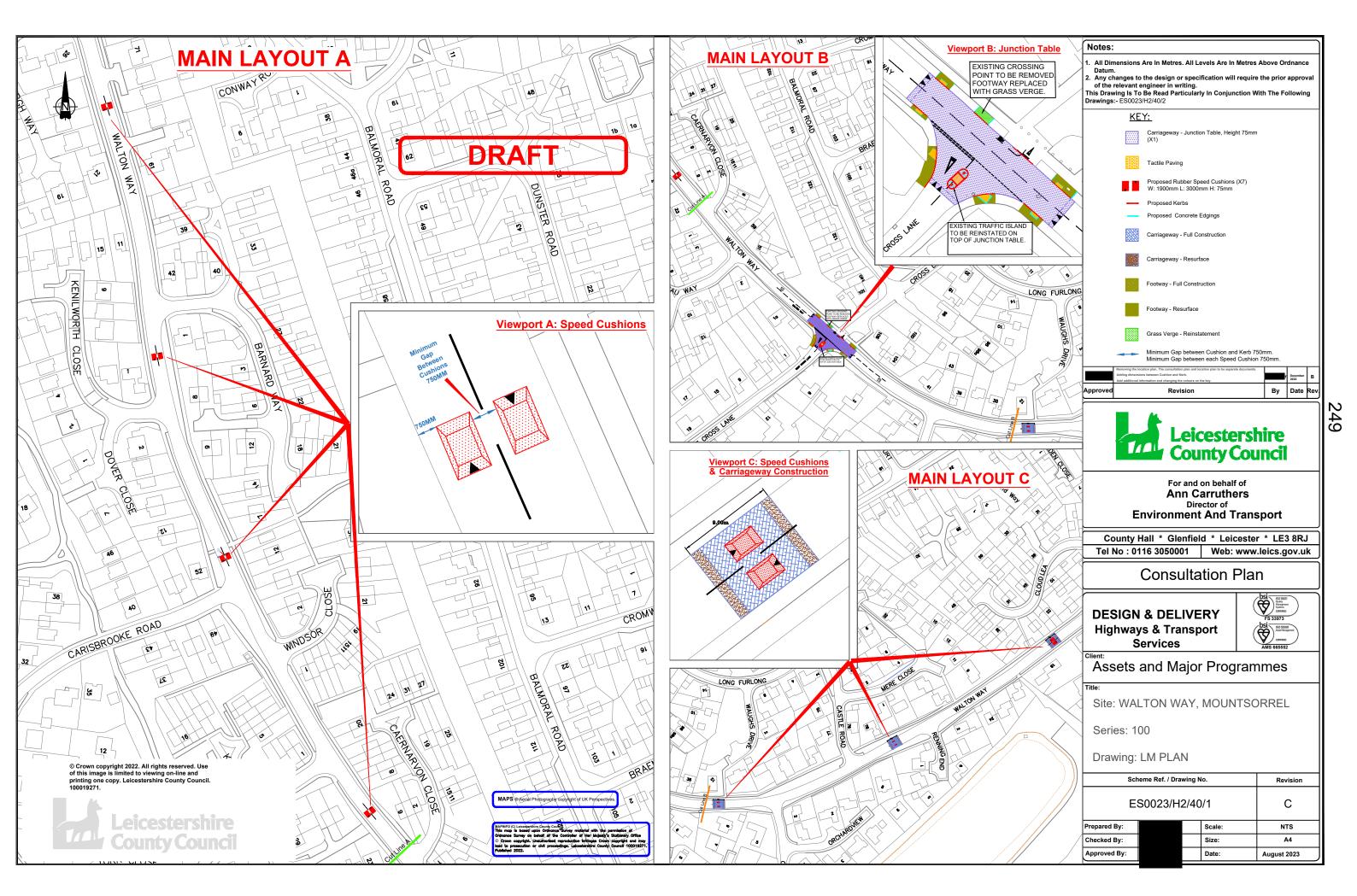
National Planning Policy Framework - https://shorturl.at/dAYZ3

Appendices

Appendix A – Drawing Number ES0023/H2/40/1

Appendix B – Consultation results summarised by issues raised

Appendix C – Consultation results



Appendix A

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Consultation results summarised by issues raised

During the formal consultation, a total of 45 responses were received, comprising of seven comments in support, one of mixed opinion and 37 comments in objection. All comments were analysed for negative opinion towards the proposals, through which 146 of negative opinion towards the proposals were identified. The negative opinion was then classified into issue categories, of which 24 were identified. These issue categories are ordered below by frequency of appearance within all received comments. The top ten categories account for 78% of all negative sentiment raised, at 114 instances. Issues that Mr L. Hadji-Nikolaou CC or Mountsorrel Parish Council raised have been noted, and fall under issues 4, 11, and 15.

Issue Category	Officer's Comments
Issue 1 Damage caused to vehicles by vertical traffic calming features Times raised: 23	 The size and design of the proposed speed cushions are to a national standard and have been used extensively to help control vehicle speeds throughout Leicestershire and England. Research carried out by the Department for Transport has concluded that vertical traffic calming features, such as speed cushions and tables, do not cause damage to vehicles when negotiated at appropriate speeds. As the speed cushions are designed to national standards, they should therefore be able to be traversed by all vehicles which conform to manufacturer's specifications and there should be no discomfort for drivers or passengers when cushions are negotiated at an appropriate speed.
Issue 2 No speeding/accident issue to address Times raised:13	Speed surveys previously undertaken on Walton Way indicate average 85 percentile speeds (the speed at which 85% of vehicles are travelling at or below) of 36mph, exceeding the 30mph speed limit. The proposed speed cushions should reduce speeds to below the speed limit, particularly in the vicinity of where they will be sited. This should be a big improvement in road safety for all road users.
Issue 3 The proposals will generate noise pollution and vibrations	The speed cushions should encourage motorists that drive at excessive speeds to travel at a lower speed which will mitigate any increase in noise levels. Whilst heavy goods vehicles can cause the

Times raised: 13	occasional sharper noise when negotiating vertical features, they will be able to straddle the cushions.
	The properties along Walton Way are well set back from the carriageway.
Issue 4 Expressed a preference for vehicle activated signs (VAS) in lieu of the proposals Times raised: 13, including by the Local Member and the Mountsorrel Parish Council	Speed cushions are considered to be the most effective solution in controlling traffic speeds. Although VAS are an effective tool, they do not guarantee a speed reduction. A VAS is likely to reduce average traffic speeds by 2-3mph; speed cushions are likely to reduce average speeds to between 25mph and 30mph which is considered more advantageous at this location.
Issue 5 Displacement of vehicles to other routes to avoid the vertical traffic calming features Times raised: 12	Due to Walton Way serving as a distributor road, the expected displacement of vehicles is expected to be minimal. If further concerns were raised following the installation of the proposals, surveys could be conducted to establish whether further action was warranted.
Issue 6 Increased vehicle emissions from braking/accelerating to negotiate the vertical traffic calming features Times raised: 12	The speed table and cushions have been spaced to encourage motorists to travel at an appropriate consistent speed which would help to minimise any potential negative impacts associated with braking/accelerating driver behaviour causing increased emissions.
Issue 7 The proposal is not an appropriate use of public funds Times raised: 10	A Section 106 agreement is in place that has obliged the developer to fund these proposals as part of planning approval. There is potentially a slight shortfall in budget that is being met by the Road Safety Fund. However, this may not be required if works are completed within budget.
Issue 8 The proposals are ineffective as speed cushions only affect smaller vehicles	Speed cushions can affect the speed of vehicles in different ways, depending upon the vehicle size; however, they do reduce the speed of most vehicles. The size and design of the proposed vertical

Times raised: 7	features are to a national standard and have been used extensively to help control vehicle speeds throughout Leicestershire and England.
Issue 9 The proposals would reduce the visual aesthetic of the area Times raised: 6	The reduction in vehicle speeds and improvement in road safety is considered a greater benefit.
Issue 10 Expressed a preference for a speed camera in lieu of proposals Times raised: 5	Safety cameras are intended for use at sites with recurring accidents; and where there is no other more appropriate cost-effective engineering solution. Guidance used to assess the need for cameras states that they should be considered at sites where there have been several serious personal injury accidents involving at least one fatal or serious injury per kilometre in the previous three years. Walton Road does not meet this criterion.
Issue 11 The removal of a pedestrian refuge on West Cross Lane, at the junction of Walton Way and West Cross Lane Times raised: 5, including by the Local Member and Mountsorrel Parish Council	The pedestrian refuge will now be retained with construction of the speed table.
Issue 12 Expressed a preference for horizontal traffic calming features in lieu of the proposals Times raised: 3	Build outs to reduce lane widths were considered at the design stage, however, this was not desired due to the reduced lane widths affecting access by larger vehicles. Vertical traffic calming features were deemed more appropriate to achieve the traffic calming obligation from the Section 106 agreement.

Issue 13 The proposals would interfere with the response of emergency service vehicles Times raised: 3	Speed cushions are designed to be straddled more easily by wider vehicles to minimise their impact on emergency service response times. Emergency services were also consulted as part of these proposals and did not raise any objections
Issue 14 Preference expressed for speed tables in lieu of speed cushions Times raised: 3	An early draft proposal for the scheme included three speed tables. The estimate for this draft proposal was prohibitively expensive. To introduce a scheme with the available funding speed cushions were the most cost effective and would have the most impact for their cost.
Issue 15 Preference expressed for alternative location of traffic calming or alternative usage of Section 106 contribution Times raised: 3, including by the Local Member and Mountsorrel Parish Council	The funding available via the Section 106 agreement precludes the expenditure towards other purposes/locations.
Issue 16 Too many vertical features within the proposals Times raised: 2	The current spacing of the vertical measures are at the maximum permitted under guidelines, therefore a reduction in number of features, is not possible. In reducing the number of speed cushions there is the potential for an increase in both speeds and noise pollution.
Issue 17 Expressed a concern with the precise situating of specific speed cushions Times raised: 2	One objector states the speed cushion in the vicinity of their property would be better suited approximately 55 metres further west than is currently situated. This would leave the separation to the preceding speed table too short and the following separation to the next speed cushions too large. The current separation of the speed cushions is approaching the maximum separation advised under guidance.
	The other objector states that the speed cushion in the vicinity of their property is located at the entrance to a potential new property. The Council cannot make changes to the scheme in consideration of

	potential changes to properties. The Council is not in receipt of any planning application in respect of this new property.
Issue 18 Expressed concern with the ongoing maintenance costs of the proposals Times raised: 2	During the planning permission process, it was determined that traffic calming was desirable to make the development acceptable in accordance with the planning conditions. Improving road safety is considered a greater benefit.
Issue 19 Expressed a preference for signage indicating 30mph limit Times raised: 2	Drivers are expected to be aware of the applicable 30mph due to the street lighting and built-up nature of the area. 30mph roundels are not permitted on restricted roads where the street lighting is less than 200 yards apart.
Issue 20 Concerns that vehicles parked on or near speed cushions will present an obstacle to other vehicles Times raised: 2	Drivers need to take account of surroundings and only overtake parked cars when it is safe. The proposed cushions will benefit drivers as they will be making their decision to overtake parked vehicles within a safer environment where all vehicle manoeuvres are being undertaken at a slower speed than usual.
Issue 21 Proposals are ineffective as vehicles would sharply accelerate between vertical features Times raised: 2	The design and spacing of the vertical features are intended for vehicles to travel through at the appropriate and consistent speed. However, it is drivers' choice as to how speed cushions are negotiated. The design of the proposed vertical features is to a national standard and have been used extensively to help control vehicle speeds throughout Leicestershire and England. The speed cushions are likely to result in a decrease in average speeds.
Issue 22 Expressed concern over oncoming vehicles being dazzled by headlights of vehicles negotiating the vertical traffic calming feature Times raised: 1	The design and size of the vertical features are to a national standard. The possibility of dazzling by oncoming vehicles is not substantially different from normal driving conditions.

Issue 23 Speed cushions endanger cyclists through forcing vehicles onto the left-side of the carriageway Times raised: 1	Vehicles must leave 1.5 metres separation when overtaking cyclists. Drivers should consider their surroundings and act accordingly. The proposed cushions will benefit cyclists as vehicles will be making their decision to overtake within a safer environment where all vehicle speeds will be lower.
Issue 24 Expressed concern that the speed cushions are a hazard to cyclists and pedestrians Times raised: 1	There is no expectation that speed cushions would be on any pedestrian desire lines.Cyclists would be able to avoid the speed cushions by negotiating a route either side, but cyclists should consider their surroundings and ride appropriately.The proposals would reduce the average road speed, therefore increasing road safety for pedestrians and cyclists.

Consultation Results

Name	Objection/ Support / Neutral	Reason for Comment	Content	Date received
WWTC-1	Objection	Possible Noise increase	The reason I wish to challenge said planned works is because of the possible noise increase with banging of the buses and acceleration between each device and the hassle these type of speed restriction devices can cause to your vehicle. I was wondering if alternatives had been considered like speed average cameras as I found these to be very successful in other areas which I work in like Coventry and Nottingham suburbs or chicanes coming out into the road. I understand cushions are better than speed bumps, but I feel there is a better way.	05/02/2023
WWTC-2	Objection	Positioning of Speed Cushion	 Specifically, the set of cushions between Grange Lane and Meadow road. I live at number [<i>REMOVED</i>] Walton Way. We are a a row of three houses with a driveway that enters straight onto Walton Way. It can be very difficult and dangerous to get onto our driveway and even harder to exit onto Walton Way. The issue is that the driveway is just after a bend in the road and I feel that the cushions would be better positioned before the driveway and not after - therefore, just after the junction for Grange Lane. (This position will slow vehicles down just before the bend and before they approach our driveway. 	05/02/2023

Name	Objection/ Support / Neutral	Reason for Comment	Content	Date received
WWTC-3	Objection	Damage to Car, vehicles will use other routes	I am concerned by the Damage that will be caused to my car in the midst of a cost of living crisis. Road humps are proven to cause issues to cars when used repeatedly. As someone who lives very close to this road I will have to travel on it at least 4 times a day and am concerned on the impact on my car and costs. It is likely that traffic will just choose to go through Rothley instead of Walton Way, particularly given the extensive works planned for the A46 near Fillingate service station for the new estate. Has anyone considered the impact on Rothley and traffic? <i>[REMOVED]</i> had already sought to get a speed sign that activates when vehicles pass. I've seen these work effective in Swithland so why can't we just have that? Also, the area that has been marked to not have any humps is one of the key areas where people cross, surely be better to have the speed sign ahead of this from both directions so it slows people down at a key walking and dog walking crossing point close to a post box and public path.	05/02/2023
WWTC-4	Objection	Damage to Car, vehicles will use other routes	 I agree that speed bumps on Walton Way will stop it being used as a race track. We live on Barnard way so know it does need speed bumps or cameras to get rid of the racers. But having so many speed bumps along the way means more damage to our cars. Meaning I'd have to go over an extra 14 speed bumps each day to get to work and back. That's included the 14 I need to go over to get into Loughborough to work daily. This means I'll need to go over 28 speed bumps per day. 140 speed bumps per week. Who's going to pay for my new spring replacement? If there are going to be this many speed bumps people will just use Halsted Road instead and speed along there near the park and on the route to school. What about putting a permanent speed camera, would this be better? It must cost less and you'll get a constant income from it from the racers and less bills coming from peoples spring replacements. 	05/02/2023

Name	Objection/ Support / Neutral	Reason for Comment	Content	Date received
WWTC-5	Objection	No speeding or accident issues according to resident. Speed humps not effective on larger vehicles increase emissions and damage cars additional council tax	They are, in my opinion, not necessary or effective. I have lived in this area for over 8 years and use this route daily. I have never heard of, or seen any accidents near misses or excessively high speeds of vehicles along Walton Way. Also these proposed cushions are only effective at slowing smaller cars. Lorries, large vans, minibuses, SUV's, 4x4's, larger cars and motorcycles are not slowed. The smaller cars which have to ride the bumps have considerable strain and excessive wear on suspension parts and steering gear, both important components for the safety of the vehicle which can be damaged by these cushions. The likely increase in emissions from cars affected by the speed reduction and acceleration along these speed control routes impact on health in built up areas has resulted in the decision to remove them in some areas. Given the impact on health, why is this retrograde option being considered in a road where families with young children live when other traffic calming measures can be considered like chicanes which slow the cars but don't cause persistent damage to smaller cars or the environment or air quality?At a time of financial restraints, I do not see this a justified use of public funds, especially when there are potholes and poor road surfaces throughout the local road network that pose a real daily danger to all road users.	05/02/2023
WWTC-6	Objection	No issues with Speeding. Cushions Unsightly	I believe speed cushions are unnecessary, unsightly and damaging to cars. People tend to speed up in between them and they cause difficulties when people are parked/stopped on the side of the road. Vehicle activated signs, like they have in Quorn, would be a much better idea.	04/02/2023
WWTC-7	Objection	Damage to smaller vehicles due to speed cushions and a raised table. Will ruin aesthetic look of the road/estate. Will push traffic into using Swithland	Damage to smaller vehicles due to speed cushions and a raised table. Will ruin aesthetic look of the road/estate. Will push traffic into using Swithland Lane and West Cross Lane more. I appreciate a few speeding drivers have ruined it for the many who follow the speed limit in the area, I would propose the installation of a radar speed sign at the top/middle/bottom ends of Walton Way, these have been shown to be effective in other areas, for example Wood Lane going into Quorn, Main Street going into Swithland and Swithland Lane going into Rothley.	06/02/2023

Name	Objection/ Support / Neutral	Reason for Comment	Content	Date received
		Lane and West Cross Lane more.		
WWTC-8	Objection	Damage to smaller vehicles due to speed cushions and a raised table. Will ruin aesthetic look of the road/estate. Will push traffic into using Swithland Lane and West Cross Lane more	Damage to smaller vehicles due to speed cushions and a raised table. Will ruin aesthetic look of the road/estate. Will push traffic into using Swithland Lane and West Cross Lane more. I appreciate a few speeding drivers have ruined it for the many who follow the speed limit in the area, I would propose the installation of a radar speed sign at the top/middle/bottom ends of Walton Way, these have been shown to be effective in other areas, for example Wood Lane going into Quorn, Main Street going into Swithland and Swithland Lane going into Rothley.	06/02/2023
WWTC-9	Objection	Damage to smaller vehicles due to speed cushions and a raised table. Will ruin aesthetic look of the road/estate. Will push traffic into using Swithland Lane and West Cross Lane more	Damage to smaller vehicles due to speed cushions and a raised table. Will ruin aesthetic look of the road/estate. Will push traffic into using Swithland Lane and West Cross Lane more. I appreciate a few speeding drivers have ruined it for the many who follow the speed limit in the area, I would propose the installation of a radar speed sign at the top/middle/bottom ends of Walton Way, these have been shown to be effective in other areas, for example Wood Lane going into Quorn, Main Street going into Swithland and Swithland Lane going into Rothley.	07/02/2023
WWTC-10	Objection	Supports scheme but not cushions - fully supports raised table. Overall worried about damage to car.	In principal I support traffic charming measures for Walton Way, Mountsorrel.However I object to the use of cushions as calming measures as they are detrimental To most cars. They shave the inside of the tyres, are detrimental to the tracking, cause problems with suspension and cause problems with drive units ie: oil leaks which can be an MOT failure.If you have a large car these issues are not normally a problem because they can be driven over the cushions without contact or slowing down.If the proposals were for all	07/02/2023

Name	Objection/ Support / Neutral	Reason for Comment	Content	Date received
			raised tables I would definitely support the measures fully. I think it is important to support any measures to reduce speed and improve safety but not at the detriment of the majority of drivers cars. The 'cushions' will not slow large vehicles or racers, therefore having little effect on the drivers that need slowing. Table calming have been used on Rothley Road, near the school and the Co-op also near the leisure centre. As a driver in Mountsorrel since 1975 I have experienced many changes, I support any measures to improve road safety but NOT if these measures will be ineffective to some drivers and detrimental to some drivers cars.	
WWTC-11	Objection	Supports scheme, but not happy with the positioning of Cushions. One in particular outside his property. Worried about noise and pollution	Due to the short distance between our house and the road, I have serious concerns of increased impact noise and vibration when vehicles go over the cushions and also the acceleration and deceleration of the vehicles.	07/02/2023
WWTC-12	Objection	Does not feel they are warranted - established that	Scanned document	
WWTC-13	Objection	1. Not a busy Road, No Accidents have occurred, speed on this road is not bad as people make out -	Scanned document	05/02/2023

Name	Objection/ Support / Neutral	Reason for Comment	Content	Date received
WWTC-14	Objection	Agrees with traffic calming but not with putting in speed cushions. Increase traffic in other parts of the village. Has suggested alternatives to speed cushion or asked for speed cushions to be installed on other streets such as Halstead Road, Bier Way etc	Scanned document	05/02/2023
WWTC-15	Objection	Speed Bumps are damaging to cars and will mean people will use the village to speed through. Would recommend 30mph signs instead of speed cushions	Scanned document	05/02/2023
WWTC-16	Objection	Damage to cars, worried about cars just speeding over the cushions. It will divert traffic onto other areas.	Scanned document	05/02/2023

Name	Objection/ Support / Neutral	Reason for Comment	Content	Date received
WWTC-17	Objection	vehicles will be speeding up and slowing down along Walton way, increase in noise and pollution. Damage to cars, bigger vehicles wont be impacted.	Scanned document	05/02/2023
WWTC-18	Objection	Due to having speed cushions outside property feels as though the proposal will cause more air pollution, more noise pollution, potentially slow down emergency vehicles, deter walking, move traffic onto other areas	About 18 years ago speedbumps were put in on Danvers Rd in where I live, indeed one is [<i>REMOVED</i>]. The noise took a lot of getting used to, in fact we had to improve our double glazing to reduce the sound, but for a while the speedbumps not only slowed down the traffic, they even deterred it (people don't like to travel over them when they can find alternative routes). However what really improved the situation was Bier Way opening up to traffic, I'm not joking when I say that for two weeks I kept thinking it was a Sunday because it was so quite down our road, the air quality also improved and I found myself breathing easier and [<i>REMOVED</i>]. Unfortunately now, with the increase in traffic volume in the village it is more or less back to how it was, however a large proportion of the traffic still follows the more arterial routes of Bier Way/Walton Way. • more air pollution (as cars speed up and slow down for the bumps fuel economy decreases and particulate levels are increased) • more noise pollution (not just from the bumps but also the acceleration and braking) • potentially slow down emergency vehicles • deter walking (the proposals include REMOVING crossing places) and other forms of 'active transport'. • and change traffic patterns across Mountsorrel and Rothley which will increase traffic on Danvers Road and Linkfield Road in Mountsorrel, Swithland Lane in Rothley and Wood Lane in Quorn.	09/02/2023

Name	Objection/ Support / Neutral	Reason for Comment	Content	Date received
WWTC-19	Objection	Proposals are not required; will damage car; increase pollution; displace traffic to other routes; pose a danger to cycles and would prefer vehicles activated lights.	 We are writing to object to the plans for road calming on Walton Way for the following reasons 1. Whilst speeds can be excessive on Walton Way we are not aware on any accidents on the road in the past 10 years. This is probably because the road is open, the views are good and the is no road furniture confusing drivers. 2. These calming bumps cause damage to cars, especially smaller ones. 3. The stop start nature of the calming will significantly increase pollution and vehicle noise. 4. Introducing these measures may move traffic to other routes which are less able to cope with it and are more dangerous. 5. These solutions are dangerous to bikes as cars are forced left. 6. Why not start with 30mph flashing signs like in Swithland plus the junction table at the Cross Lane junction? Your current proposal is excessive and will most likely cause accidents as drivers try to avoid them. Also they are situated after road junctions when cars are just getting going.Overall an over engineered, dangerous and expensive solution 	13/02/2023
WWTC-20	Objection	Noise and vibration.	We already can hear the car noises in our house, however this speed cushion (or any nearby) will make this significantly worse especially with the vibration of vehicles going over the cushion and also the revving up after passing it As a result this will significantly affect our enjoyment of our house [REMOVED] and will significantly affect our mental health This will also result in the devaluation of our house	13/02/2023
WWTC-21	Objection	No Speed Issues on Walton Way - damage to cars	 With regard to the proposed speed cushions on Walton Way I'd like to object to this proposal and view it as another shameless waste of taxpayers money. I have lived in the vicinity for over 5 years now and use Walton Way daily. I've never witnessed any excessive speed on that road and in fact drivers respect the 30mph limit on that road. Would you like to support these proposals with proof of accident and speed camera information please to justify this proposal? My objection is that these speed cushions damage suspension and geometry 	17/02/2023

Name	Objection/ Support / Neutral	Reason for Comment	Content	Date received
			components on a car. I've had my tracking reset twice in the past 12 months and worn out a set of tyres prematurely because of speed cushions at a considerable cost.	
			Yes I'm all for these traffic calming devices near schools and in places where traffic doesn't respect the limit but Walton Way is not one of them. All it will do is create 'rat runs' in the side streets to avoid these 'cushions' creating issues elsewhere, I for one will find an alternative route which many will, and of course this will create problems elsewhere. Your thoughts and evidence (to the contrary) would be welcome.	
WWTC-22	Objection	Road is not unsafe, no accidents. Damage to cars, issues with future maintained cost for LCC.	I have lived in the village on the Walton Way estate for over 10 years, and based on my own observations this road is not unsafe, and there have been no accidents or pedestrians injured that I am aware of. Does your accident safety data support this proposal? In addition this is a regular location for the police speed vans which is a deterrent in itself. There are wide footpaths and grass verges on both sides of Walton Way which make it very safe for pedestrians to walk along and plenty of visibility to cross. Pedestrians predominantly cross this road at the main junctions on either end of Walton Way where facilities are provided, and at the junction with West Cross Lane. Therefore I could see some benefit in installing the junction table but not the speed cushions.Installing Speed cushions along Walton Way will be damaging to the environment, they will create noise pollution for residents with vehicles slowing down and speeding up between the cushions. The residents along the main road will also suffer due to the noise of the cars travelling over the cushions day and night. My car has suffered suspension damage in recent years due to travelling over speed cushions in multiple locations on my daily commute and I cannot be the only one suffering these extra costs due to unnecessary traffic calming schemes such as this one. During a cost of living crisis this is unwelcome news.These speed cushions will be unsightly and not in keeping with the area. I would urge Leicestershire County Council to consider the long term maintenance of this scheme. I understand that the money to fund this scheme was provided by the	18/02/2023

Name	Objection/ Support / Neutral	Reason for Comment	Content	Date received
			builders of the Jelson estate, yet Leicestershire County Council will be liable for any future maintenance with ever decreasing budgets. The only thing that I feel would benefit the area is the junction table at the junction of Walton Way and West Cross lane. This would make it easier for cars to pull out of the junction and also pedestrians cross the road at this point. However please can the speed cushions be removed from the proposal.	
WWTC-23	Objection	Motorcycles are the main cause of the speeding issues and this scheme wont impact them. concerned about damage to cars.	I oppose the installation of speed bumps and would suggest illuminated speeding signs indicating the speeding of traffic as used in Swithland village. As I live in this area I know that these signs have been very effective in calming traffic particularly as there is an infant school on the main road where illuminated speeding signs have been erected and do adversely affect a vehicles suspension. Speed bumps (cushions), are ineffective to motor cyclists and some car drivers and in some cases can reduce the effectiveness of a vehicle suspension and over time change the steering geometry making the vehicle unsafe to travel on motorways. I have first-hand experience of this phenomena having previously having to replace 3 sets of broken suspension springs front and rear shock absorbers and a regular adjustments made to correct the steering geometry on my car and I slowed to 20MPH when negotiating these speed cushions. I asked the mechanic if other vehicles were affected in the same way my car was he stated it was common in this area due to the speed cushions deployed in Rothley village. He suggested the speed you would have to travel at to avoid this damage is 5-8 MPH. In the years I have lived in Mountsorrel 20 + years on Walton Way I can inform you most of the time it is motor cyclists who speed down Walton Way and the proposed method will not slow motorcyclists down as they will avoid the cushions and travel between them. This is why I oppose the installation of speed cushions and strongly suggest illuminated speeding indication as a much better alternative.	10/02/2023

Name	Objection/ Support / Neutral	Reason for Comment	Content	Date received
WWTC-24	Objection	Too many speed cushions, seven in the course of a road a mile long!! Impediment to emergency vehicles? More pollution created due to cars slowing down then speeding up. Damage done to suspensions on cars. Discriminates against small vehicles. (4x4 just speed over them!)	Too many speed cushions, seven in the course of a road a mile long!! Impediment to emergency vehicles? More pollution created due to cars slowing down then speeding up. Damage done to suspensions on cars. Discriminates against small vehicles. (4x4 just speed over them!) This proposal is a total waste of money, all for what reason? Aimed at reducing vehicle speeds in the area? Getting us to use a bus? We would and did use the small bus, which had been subsidised in the past on two occasions. Ironically running like clockwork during Covid lockdowns, then stopped running when everyone's back to work!! We NEED our little cars thank you, people in their large 4x4 vehicles do not slow down for speed cushions, but just ride roughshod over them. If Walton Way was built as a 'through route', then let it be just that. There are hardly any houses built along the road whose driveways open onto the road precisely for that reason. There are very few people who actually park along the road, parking is provided for those with no drive. We live <i>[REMOVED]</i> , and have lived here for twenty-six years and found that there is no speeding problem. In that time ONE vehicle at SLOW speed knocked over a road sign! So where is the need for speed cushions? Has anyone actually requested them? We hope to get your support for our objections,	07/02/2023
WWTC-25	Objection	Worried about noise impact of cars slowing down and speeding up. Damage to cars. Happy with the speed tables	Our rear garden wall is immediately alongside Walton Way and the noise is bad as it is and will be worse when the proposed increased housing is built in Mountsorrel and Rothley. It's bad enough as it is, particularly with the number of motor cyclists which use Walton Way. When the traffic has to keep slowing down and speeding up it will create much more noise as gears are changed. There is also potential risk of damage to car springs (this has happened to us in the past).What is the reason for the proposals? If it is to make is easier for pedestrians to cross Walton Way why can't we have one or two pedestrian crossings? We have no objection to the raised table at the junction of Walton Way and West Cross Lane. Why not just do this and reassess the situation	22/02/2023

Name	Objection/ Support / Neutral	Reason for Comment	Content	Date received
			afterwards.If these proposals go ahead we will be looking for a reduction in Council tax!	
WWTC-26	Objection	Does not believe there is an issue with speeding. Scheme will create more pollution/damage to tyres	I OBJECT to this proposal for cushion humps on Walton Way as I cannot see the reason, I walk that road every day with my dog and drive on it also from around 10.30am to 3.30/4.00pm there is very little traffic about and those I do see I would not class as speeding, I have no doubt there are some speeders, it is a long road and may be open to speeding but I have not seen this , also I have not seen any traffic volume measures being taken or speed cameras on this road to suggest that the volume of traffic needed to be controlled or checked by speed humps. I have seen one speed camara on this road but that was a long time ago so I don't know where your information comes from. These measures will only create more pollution, damage to tyres and suspension.	21/02/2023
WWTC-27	Objection	Wants alternatives to Speed Cushions - wants speed camera instead and feels as though vans and larger vehicles will be able to speed regardless of scheme.	 This is my objection to the only solution being offered of cushioning and raised platforms. Why is this the only option. Allen Moss Road in Loughborough is a far busier road than Walton Way, where signage appears to work. Have you any data to the contrary? Secondly for me, average speed cameras is a far better solution, however, I don't know the costings for this, could you tell me please? I would suggest also, the residents whose only artery is Walton Way are not the speeding offenders. The solution and the only solution being offered, will not stop the delivery vans and twelve wheeler lorries from continuing to speed through our neighbourhood. This solution will breakdown overtime and become a problem itself. 	24/02/2023

Name	Objection/ Support / Neutral	Reason for Comment	Content	Date received
WWTC-28	Objection	Funds could be spent on other highways improvements. Not much of a speeding issue, will impact local residents	Scanned Document	21/02/2023
WWTC-29	Objection	Not a speeding issues, damage to vehicles. Spend the money on highway maintenance instead	Scanned Document	18/02/2023
WWTC-30	Objection	Removing refuge island is unsafe. Concerned around "sight line"(visibility splay) when crossing at the junction with proposed raised table. Damage to vehicles, hazard to cyclist and pedestrians. Would prefer speed cameras	Raised Tablel use the pedestrian crossing island at the junction of West Cross Lane and Walton Way in order to watch out for cars coming up Walton Way or along West Cross Lane. I note that this crossing island is to be removed because of the proposed raised table. However, the removal of the crossing point would make it dangerous for any pedestrian crossing the junction due to the sight-line being interrupted. Has anyone physically tried to walk over this crossing to check the sight-line?Speed CushionsApart from the high cost where money would be better spent in repairing the roads in this area, inserting bumps and tables will increase the damage to vehicles. To highlight the damage issue, I drive a car that is low to the ground. On taking it in for a service to my local garage recently, the mechanic reported that all four tyres were wearing just on the inside and asked whether I happen to use Hallfields Lane in Rothley (which I did twice a day to get to my place of work in East Goscote) as they had seen many customers with the same type of damage to their tyres. I did put in a claim to the Council at the time but unfortunately it was rejected because 'the road humps were to the correct specification' which did little to curb my frustration at having to spend nearly £400 on new tyres. I now use Walton Way and Bier Way	28/02/2023

Name	Objection/ Support / Neutral	Reason for Comment	Content	Date received
			to get to the A6 so I am more than concerned that I will suffer from exactly the same problem if the speed bumps are installed. The raised table and speed cushions will cause vehicles to slow down as they approach and then accelerate afterwards which increases fuel usage and air pollution as well as noise and vibration caused through braking. They will also cause a problem for emergency ambulances. I would like to know what evidence there is to suggest this road is dangerous. I did put in a Freedom of Information request to Leicestershire County Council to get the facts but unfortunately have yet to receive a response. Speed cushions would add to the hazard for pedestrians and cyclists. They are a trip hazard for pedestrians and are unlikely to be popular with cyclists who may decide to ride up and down the pavements instead. It would make it extra hard and would limit the crossing points for elderly, disabled or pushchair users to cross the road. When cars or larger vehicles drive over the road humps at night, it would cause the headlights to blind the oncoming driver, particularly when the oncoming driver is proceeding up the hill. More traffic will divert away from Walton Way to routes where there are no restrictions causing an increase in traffic flow in quieter areas. If an average speed check system, now commonly used in many parts of the UK, could be introduced at a relatively low cost such that travel times end-to-end in Walton Way could be measured, this would be a much simpler method of controlling vehicle speeds and would eliminate the need for the complex and unsightly measures. If you want to stop the minority driving at dangerous speed, put a speed camera in. Cameras have the obvious advantage that if they work, they raise money to pay for themselves. Cameras also have the advantage of creating no discomfort, inconvenience or noise to their neighbours or motorists who are already obeying the speed limit. Or, have speed-sensitive reminders and ensure that signage is maintained. Alternatively,	
WWTC-31	Objection	No major accidents therefore no need for traffic calming. Worried about traffic being	some form of chicane might provide a better answer. We would like to register our objections to the proposed traffic calming measures to Walton Way, Mountsorrel. We do not believe there has been any major traffic accidents or casualties on Walton Way and that there are no accident black spots on the road. We are therefore not sure what the reasoning is for the proposed traffic calming measures. The proposed speed cushions and raised	27/02/2023

Name	Objection/ Support / Neutral	Reason for Comment	Content	Date received
		pushed to other areas of the village. No need for physical traffic calming use alternatives	table are likely to deter people from using Walton Way and will therefore likely increase traffic on the residential streets in the village that were not specifically design to cater for the traffic like Walton Way is. Walton Way is designed to take traffic away from the villages and is the main feeder road to the newer housing estates built on the back of Mountsorrel where we live. There are only a few houses with driveways directly on to Walton Way and there are no schools or public amenities on the road. The purpose of Walton Way is to get traffic to and from the newer estates without going through the village. We walk our dog along Walton Way daily, as there are grass verges between the road and the pavement and we feel very safe from the traffic. It is our observation that when walking or driving along the road the traffic seems to travel at a sensible speed and is always free flowing, even at peak times. The proposed number of speed cushions is likely to cause more noise and pollution. Vehicles will have to brake and accelerate and change gears multiple times building up traffic. The proposal does not contain any evidence or reason why the traffic calming measures are needed or any impact assessment as what the affect will be on Walton Way or the surrounding streets. So what is the justification on spending the scarce taxpayer's money on this scheme? If the main reason if to keep traffic within the speed limit. For instance there is currently no 30 mph signs on the road, so why not put up some 30 mph signs along the side of the road or on the surface of the road, or even install some vehicle activated speed signs. If physical restriction is required, then perhaps two raised tables, one at the junction with Castle Road and one at the junction with Carisbrook Road, would be more suitable, thereby breaking the road into the three short sections. The grounds of our objection is that Walton Way is designed to take traffic away from residential streets and that no grounds have been provided as to why the propos	

Name	Objection/ Support / Neutral	Reason for Comment	Content	Date received
WWTC-32	Objection	No issues with speed. Use money for highway maintenance	I really must object to the plans for speed cushions and a raised table along Walton Way. Having lived just off this road for many years and using it on a daily basis (both walking and driving) it is extremely rarely that I encounter vehicles going at dangerous speeds. With the vast amounts of potholes and other uneven road surfaces in the surrounding area/villages causing untold damage to people's vehicles and danger to those on two wheels I would have thought that there were better things that public money could be spent on other than traffic calming measures on a road that in my opinion does not need them.	08/02/2023
WWTC-33	Objection	Objection to position of one speed cushion as they are in the process of drawing up plans to situate a house at number <i>[REMOVED]</i> Walton Way - worried about blocking entrance	It looks from the sketch attached to your letter that this one, along with the speed cushions, also includes block paving surrounding it. In my experience these can be very noisy when vehicles traverse over them and with the very close proximity of my front bedroom windows this will prove to be a determent to our peace and quiet not to mention greatly disturbing our sleep. This is on top of the vehicles slowing down and speeding up and the extra noise this will create. My neighbour, <i>[REMOVED]</i> from <i>[REMOVED]</i> Walton Way would also like to raise her objections for the same reason as above. In addition to this you will notice that this speed cushion is set between <i>[REMOVED]</i> and <i>[REMOVED]</i> Walton Way and at present there is no number <i>[REMOVED]</i> to appear eventually hence the allocation of the numbering when <i>[REMOVED]</i> & <i>[REMOVED]</i> were built. We are at present drawing up plans to situate a house between <i>[REMOVED]</i> and <i>[REMOVED]</i> and <i>gremoved</i> and your proposal could put this in jeopardy as the proposed speed cushion would be situated where the entrance to this property will hopefully be along with the noise for the new dwelling.	06/02/2023
WWTC-34	Objection	Tax payers money and damage to cars	Firstly is the cost of doing this which will come out of our pockets and we are stretched with everything already. Another reason is the damage the bumps do to cars no one realises even though your speed is like 5 which again adds to more cost we have to pay for	01/03/2023

Name	Objection/ Support / Neutral	Reason for Comment	Content	Date received
WWTC-35	Objection	Not installed in correct location. Vehicles speeding up and slowing down between speed cushions	I believe they will be counter productive as many drivers tend to try and avoid speed bumps by steering around them, and with more and more people parking vehicles on Walton Way especially on the long bend, this could create potential accidents. Also, many drivers accelerate between them which defeats the purpose of installing them. In addition, as I reside on Barnard Way, I will have to go over these every day causing unnecessary wear and tear to my car. I would suggest a speed indicator sign, such as the one in Swithland near the school, which would be more economical to install and less inconvenient to residents along Walton Way and less damaging to peoples vehicles.	01/03/2023
Parish Council	Objection	Prefers different location/usage	On behalf of the Parish Council I would to express the view that our preference would be for the money allocated for traffic calming measures on Walton Way, to be allocated instead to installing a pelican crossing outside the primary school on Rothley Rd. We believe this is a much higher priority and the Parish Council has made many representations to this effect over recent years. Our preference for Walton Way would be the installation of VAS, which has been supported by our County Councillor and are ready to go. We are also concerned that the current proposals for Walton Way include the removal of the traffic island on Cross Lane. We would request that this is retained as it helps people cross the road.We strongly believe that the pedestrian crossing will be a better safety measure and better value for money than the traffic calming. Alternatively if the County Council intends to go ahead with this, the number of speed cushions could be reduced by half and the resultant saving be allocated to providing a pedestrian crossing.We do hope that these proposals can be reconsidered in the light of our request and that of ClIr Leon Hadji-Nikolaou. We would be happy to arrange a site meeting and discuss these options in detail.	22/03/2023
WWTC-37	Mixed	Overall support of speed cushions, worried about removing crossing island	I'm hoping that I have miss read the information you have sent me. I am very happy with the traffic calming measures but I am against the alterations as shown in "View Point B: Junction Table. 1. The removal of the traffic island This is used as a pedestrian refuge by, mothers, elderly, school children, dog walkers, etc	04/02/2023

Name	Objection/ Support / Neutral	Reason for Comment	Content	Date received
			 2. Existing crossing point removed 3. The removal of existing footway This is used by mothers, elderly, school children, dog walkers, etc This additional unnecessary work will no doubt cost a considerable sum of Council tax payers money and could easily be saved by not doing it. 	
WWTC-38	Support	Support of the scheme	 From a "Risk Assessment Perspective " you are adding danger not removing it. I fully support the proposal to install these calming measures in the form of traffic cushions and a raised tabletop and have in the past approached several councillor's regarding the issue of speeding on Walton Way. I have lived at three locations served by Walton Way over the last twenty plus years, Montsoreau way, Rosslyn Avenue and now Meadow Road, and during this period, the number of properties that this stretch of road serves has vastly increased, resulting in a large increase in traffic and ultimately the speed of that traffic. Walton Way is a long and wide road with very little parking taking place on it which allows a free flow of traffic building in speed from either end. Walton Way now also provides direct access to the larger distributor road of the A6 and A46 now the link across has been completed by William Davis. The issue of speeding has become worse, I notice this trying to pull out of Meadow Road, I regularly have drivers driving very close to me when I travel at 30mph towards my junction, to the point I often carry on to Halstead Road at 30mph just to prove a point, My children have to cross Walton Way and I walk my dog along the road every night, and some of the speeding is ridiculous, I would estimate 70% of the traffic is travelling on or over 40mph. It is also clear to see when the speed camera van is parked next to our junction because the speed of traffic obviously reduces to the speed limit and becomes acceptable, but as soon as it leaves, the traffic speeds return to normal. So, in summary, I fully support the proposals, the road serves too many houses, is very long, is interrupted in its flow and is too wide. 	06/02/2023

Name	Objection/ Support / Neutral	Reason for Comment	Content	Date received
WWTC-39	Support	Feels there is a real issue with speeding along Walton way	Scanned Document	05/02/2023
WWTC-40	Support	Happy at prospect of traffic calming	absolutely delighted about the proposed traffic calming on Walton Way. She wondered if there were any plans to put speed cushions on West Cross Lane as traffic travels far in excess of 30 mph. I explained that we could not extend the proposals that had been advertised but said that I would pass her message on to you in case there were any plans in the future to do traffic calming on West Cross Lane.	10/02/2023
WWTC-41	Support	Supports scheme but is worried about HGVs and large vehicles being able to travel over the speed cushions	Unfortunately, we have noticed that the road has become an increasingly high traffic area, busy during peak rush hour periods and that HGV vehicles, linked to the building projects, often travel down Walton Way. Many of these vehicles travel at excessive speeds creating excess noise pollution, especially the HGVs and vans, that we are residents have to endure daily. Whilst I am in support of the general principle of slowing vehicles down on Walton Way, I am concerned that the proposals may not realise this aim. I am wondering whether the proposed speed cushions are the same as the ones found on Halstead Road? If so, I would raise concern with the proposal because I believe these speed cushions are ineffective as a traffic calming measure.	17/02/2023
WWTC-42	Support	Supports scheme but would prefer only the speed table	The speed reduction proposal has the merit that it will definitely reduce average speed and will reduce traffic volume by making the road less attractive to through traffic. However I am concerned that the noise and pollution levels will markedly increase due to the behaviour of motorists trying to negotiate the speed cushions. The vehicles will inevitably speed up and slow down causing more vehicle emissions and associated road noise. This is particularly a problem with cold diesel engines during the morning peak period less so for the return peak in the evening. A rolling vehicle will be in in a higher gear and the engine will be rotating at a lower RPM therefore producing less exhaust emissions. I am in favour of the speed table at the junction with West Cross lane as a lot of	28.02/23

Name	Objection/ Support / Neutral	Reason for Comment	Content	Date received
			people cross Walton way at that junction to walk out into the countryside along West Cross lane. However I want to register my objection to the rest of the scheme as I think it is a sledgehammer to crack a nut and looks very expensive to install. I would be happier with a number of illuminated speed notification signs as fitted on other roads nearby and installed at strategic locations along Walton way. This will give drivers a nudge that they are speeding and will allow the traffic to keep rolling. Maybe other types of traffic calming could be considered such as width restrictions or chicanes which will again allow the traffic to keep rolling. Additional speed limit signage would be helpful as there is very little of this along the length of the road, in addition it would be good to see some regular police speed camera vans during the peak periods.	
WWTC-43	Support	Supports scheme	As a resident of Walton Way (<i>[REMOVED]</i>) my wife and I fully and whole heartedly support this proposal. Since the opening of Bier Way, the volume of traffic using Walton Way has increased incredibly. In our opinion most vehicles are also driving above the 30 mph speed limit and in a lot of cases well above that too. The increase in traffic has also generated much more road traffic noise and I guess increased emissions too. In our opinion it is only a matter of time before there is a serious traffic incident. Ideally, we would have liked to see greater measures with raised tables where the cushions are to be located, 30 mph speed limit warning signs and at least	09/02/2023
WWTC-44	Support	worried about speeds along Walton Way	 1no speed camera. I think these changes are long over due as Walton Way has become like a rat run for people making short cuts. I live on Rockingham Road and use Walton Way regularly and the speed that some people are driving at is very excessive. With this in mind I think that speed humps is a very good idea and for those that wont to speed they will soon get damage to their vehicles. 	01/03/2023



CABINET - 15 SEPTEMBER 2023

PHYSICAL ACTIVITY PROGRAMME REDUCTIONS

REPORT OF THE DIRECTOR OF PUBLIC HEALTH

<u>PART A</u>

Purpose of the Report

1. The purpose of this report is to seek the Cabinet's approval to consult on the revised delivery model for physical activity programmes.

Recommendations

- 2. It is recommended that
 - a) The commencement of consultation on the draft physical activity delivery model be approved.
 - A further report be submitted to the Cabinet in December 2023, regarding the outcome of the consultation exercise and a proposed final model.

Reasons for Recommendation

- 3. The Medium-Term Financial Strategy 2023/24 2026/27 includes a requirement for savings via a review of physical activity delivery.
- 4. Following a review of the current delivery model, a revised delivery model is proposed which will achieve the required savings. Permission from the Cabinet to undertake a formal consultation exercise on the revised delivery model is now sought.

Timetable for Decisions (including Scrutiny)

- 5. Subject to the Cabinet's approval it is intended that the consultation will commence in September. The Health Overview and Scrutiny Committee will receive a report as part of the consultation exercise at its meeting on 1 November 2023.
- 6. It is intended that the outcome of consultation and proposed final model will be submitted to the Cabinet on 19 December 2023.

Policy Framework and Previous Decisions

- The Medium-Term Financial Strategy 2023/24 2026/27 (agreed by the Council on 22 February 2023) includes a requirement to save £250,000 from 1 April 2024 through a review of physical activity services.
- 8. The proposal is aligned with the Public Health Strategy "Delivering good health and prevention services 2022-2027", the Leicestershire Joint Health and Wellbeing Strategy 2022-2032 "Staying Healthy, Safe and Well", and the County Council's Strategic Plan 2022-26, in particular the outcome keeping people safe and well: 8.3 People enjoy long lives in good health.
- 9. The Cabinet at its meeting on the 8 February 2019 considered a report "Active Lives Survey 2018 Physical Activity Levels in Leicestershire" and supported the need for a co-ordinated and coherence approach to improving physical activity levels.

Resource Implications

- 10. The proposed model is expected to achieve savings of £250,000 per annum which would contribute to the Medium-Term Financial Strategy (MTFS) savings target.
- 11. The Director of Corporate Resources and the Director of Law and Governance have been consulted on the content of this report.

Circulation under the Local Issues Alert Procedure

12. This report will be circulated to all members.

Officer(s) to Contact

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PART B

Background

- 13. The Council has a statutory duty to improve the health and wellbeing of the population and receives a ring-fenced grant for that purpose to be spent on public health functions including physical activity programmes.
- 14. In Leicestershire, 1 in 4 adults (21-26%) do less than 30 minutes of physical activity per week (are inactive) and 1 in 3 residents do not meet the Chief Medical Officer guidelines for physical activity (150 minutes per week of moderate to vigorous physical activity).
- 15. There are significant inequalities associated with inactivity whereby people from marginalised groups, with disabilities, older people, women and those living in material disadvantage are least active. Barriers to inactivity include the cost of programmes and equipment, proximity of opportunities to area of residence, quality of the environment, beliefs, confidence and self-efficacy and cultural appropriateness of programmes.
- 16. It is important therefore that programmes exist that address the known barriers to physical activity, are local and targeted to those at highest risk of inactivity.
- 17. In Leicestershire, the Public Health grant funds the delivery of physical activity programmes via an annual grant to district councils and School Sports and Physical Activity Networks (SSPANs) and core funding to Active Together, the Active Partnership. The Public Health budget for physical activity is £1.146 million in total; of this £692,986 is allocated to district councils, SSPANs and central coordination via Active Together.
- The Medium-Term Financial Strategy 2023/24 2026/27 (agreed by the Council on 22 February 2023) includes a requirement to save £250,000 by 1 April 2024 through a review of internal infrastructure physical activity grantfunded programmes (budget lines PH5SR and PH10SR).

Current Service Provision

- 19. The current delivery model for physical activity provision is set out in **Table 1** below. It comprises four levels of delivery for adults and levels 1-3 for children, delivered by district councils and SSPANs (in schools):
 - Level 4: Specialist health condition specific programmes
 - Level 3: Physical activity referral and specialist provision
 - Level 2: Targeted community / setting-based sessions
 - Level 1: Population level interventions, brief advice, sign posting self-help

	Children*	Adults
Level 4 (specialist programmes)	Not applicable	Specialist instructors and referral systems to deliver specialist level 4 programmes for people with e.g. cancer or cardiopulmonary problems. These programmes interface with NHS-funded services and ensure a 'step down' pathway into continued physical activity.
Level 3	 Specialist provision by SSPANs for: Fundamental Movement Skills, helping children develop the skills they need for lifelong physical activity (e.g. balance, catching a ball, hopping etc) HE-HA children's weight management services delivered by Public Health 	 Contribution to leisure centre-based exercise referral programmes aimed at people who are inactive and have a health condition. Specified evidence-based level 3 interventions. Programmes include: Steady Steps plus (falls prevention programme) Escape Pain (for osteoarthritis of the back, hip and knee)
Level 2	School-based programmes targeting least active children.	Locally-specified targeted programmes based in the community
Level 1 (universal programmes)	Leadership support for a whole school approach, health and wellbeing ambassadors, link to healthy schools, Let's Get Moving Active Travel officer jointly funded by the Environment and Transport Dept. supports schools to encourage journeys to and from school through active modes Population Interventions, brief advice, Moving' comms delivery	Utilisation of campaign materials (via Active Together), signposting to local provision, advocacy work with other departments e.g. planning Delivery of centrally-specified programmes such as Walking for Health, to meet local need signposting, self-help, 'Let's Get
Other	Graduate Training programme to build the physical activity workforce	

Table 1 – Current delivery model for physical activity

* This is in addition to the statutory requirement for schools to offer PE provision and the School Games provision through the SSPANs, funded by the Youth Sports Trust

Proposal

20. The proposed changes are summarised in **Table 2** below and reductions are indicated in red.

	Children*	Adults	
Level 4	Not applicable	Specialist instructors and referral	
(specialist		systems to deliver level 4 programmes	
programmes)		for people with, for example, cancer or	
		cardiopulmonary problems.	
Level 3	Specialist provision by SSPANs	[removal of] Contribution to leisure	
	for:	centre-based exercise referral	
	 Fundamental Movement 	programmes aimed at people who are	
	Skills, helping children	inactive and have a health condition.	
	develop the skills they need	[new provision] Community-based	
	for lifelong physical activity	exercise referral options	
	(e.g. balance, catching a		
	ball, hopping etc.)	Specified evidence-based level 3	
	HE-HA children's weight	interventions. Programmes include:	
	management services	Steady Steps plus (falls prevention	
	delivered by Public Health.	programme)	
		Escape Pain (for osteoarthritis of	
	[new provision] Children's	the back, hip and knee)	
	exercise referral programme		
Level 2	[removal of] School-based	[removal of] Locally-specified targeted	
	programmes targeting least active children*.	programmes based in the community	
Level 1	Leadership support for a whole	Utilisation of campaign materials (via	
(Universal	school approach, health and	Active Together), signposting to local	
programmes)	wellbeing ambassadors, link to	provision, advocacy work with other	
	healthy schools, Let's Get Moving	departments e.g. planning	
	Active Travel officer jointly funded	Delivery of centrally-specified	
	by the Environment and Transport	programmes such as Walking for	
	Dept. supports schools to	Health, to meet local need	
	encourage journeys to and from		
	school through active modes		
	Population Interventions, brief advice, signposting, self-help, 'Let's Get		
	Moving' comms delivery		
Other	[removal of] Graduate Training programme to build the physical activity		
	workforce		

Table 2 – Summary of proposed revised delivery model for physical activity

*Schools have a statutory requirement to offer PE provision and primary schools have access to the school PE and sport premium funding which can be used in a targeted way. There is also School Games provision through the SSPANs, funded by the Youth Sports Trust.

Consultation

21. Subject to the Cabinet's agreement, a 6-week public consultation exercise will take place from 20 September 2023 to 1 November 2023 to seek feedback on the proposed model.

- 22. The consultation will seek the views of the general public, users of existing services, service providers, and a range of additional stakeholders including NHS service providers, district councils and voluntary sector providers. The survey will be accessible online on the County Council's website and available as a hard copy on request. The survey will be promoted on social media and through printed material in community locations, through circulars and newsletters.
- 23. The Health Overview and Scrutiny Committee will consider the proposed model at its meeting on 1 November 2023 as part of the consultation process.
- 24. Initial consideration of the proposals suggests that the new delivery model would support programmes that have a strong evidence base and are less likely to be funded by private/leisure service providers. It would maintain input from across the referral systems (NHS, districts, SSPANs and Active Together) and target those at highest risk of inactivity and poor health. It would also maintain expertise in higher-tier provision (e.g. cancer, falls) and school programmes and retain population-level and specialist interventions. These will be among the issues to be explored during the proposed consultation period, along with possible disbenefits such as the effect of the removal of funding on activity provided by other local authorities and SSPANs.

Equality Implications

- 25. An Equality Impact Assessment (EIA) has been completed and the impact of a change in service model will be informed by the outcomes of consultation. Local data shows that there are existing inequalities in how active groups with protected characteristics are compared to the others. Inactivity increases with age, is higher in women and in people who are socioeconomically disadvantaged, identify as LGBTQ+, are in Asian or Black ethnic groups, have Hindu or Muslim faiths, have a disability or are pregnant or with a child under one.
- 26. Initial findings of the EIA on the proposed model are that the impact of funding reductions have been mitigated by focusing remaining resources on the provision of programmes for people with protected characteristics. There is a loss of provision of Level 2 programmes, but these are less targeted towards inactive people or people with existing long-term conditions. The post-consultation EIA will be presented to the Public Health Departmental Equalities Group for approval.

Human Rights Implications

27. There are no human rights implications arising from the recommendations in this report.

Health Implications

28. Reducing the availability of provision would lead to some programmes ceasing and participants needing to find alternative programmes. If in doing this, barriers are introduced (e.g. because activities are further away or cost more) then there is a risk that participation in physical activity would decrease.

Background Papers

Report to the Cabinet on 8 February 2019 – Active Lives Survey 2018 – Physical Activity Levels in Leicestershire https://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MID=5600#AI58606

Report to the County Council on 22 February 2023 - "Medium Term Financial Strategy 2023/24 - 2026/27" and minutes of that meeting https://politics.leics.gov.uk/ieListDocuments.aspx?Cld=134&Mld=6913 This page is intentionally left blank



CABINET - 15 SEPTEMBER 2023

COLLECTIONS DEVELOPMENT POLICY AND ACCESS POLICY FOR THE RECORD OFFICE FOR LEICESTERSHIRE, LEICESTER AND RUTLAND

REPORT OF THE DIRECTOR OF ADULTS AND COMMUNITIES

<u>PART A</u>

Purpose of the Report

- 1. The purpose of this report is to seek approval of the revised Collections Development Policy and Access Policy, for the Record Office for Leicestershire, Leicester and Rutland (ROLLR).
- 2. These policies are a requirement of archive accreditation and will support the Record Office's accreditation submission to The National Archives in November 2023.

Recommendations

- 3. It is recommended that:
 - a) The Collections Development Policy for the Record Office for Leicestershire, Leicester and Rutland be approved;
 - b) The Access Policy for the Record Office for Leicestershire, Leicester and Rutland be approved.

Reasons for Recommendations

- 4. The current Collections and Access policies have expired and are due for renewal. The policies must address the key requirements set out in the Accreditation standard, administered by The National Archives. These two policies are key elements of Archive Service Accreditation and are used by the ROLLR to guide its activity and ensure consistency, transparency, effective use of resources and adherence with archive sector ethics.
- 5. The Collections Development Policy, attached as Appendix A, sets out the vision and purpose for the ROLLR collections remit, including loans, transfers, donations, purchases, and bequests.
- 6. The Access Policy, attached as Appendix B, sets out the ROLLR's commitments to create a culture where people of all backgrounds and experiences feel appreciated and valued, providing access for everyone.

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7. These policies support the Adults and Communities Department's ambition to *"Save and make accessible the cultural and historic heritage of the County,"* which is also a key commitment in the Adults and Communities Strategy "Delivering Wellbeing and Opportunity 2020–2024".

Timetable for Decisions (including Scrutiny)

- 8. The revised and approved policies are required for the ROLLR's accreditation submission to The National Archives in November 2023.
- 9. Partners have been consulted on the revised policies.
- 10. The Adult and Communities Overview and Scrutiny Committee considered the policies at its meeting on 4 September and its comments will be reported to the Cabinet.

Policy Framework and Previous Decisions

- 11. The policies support the County Council's Strategic Plan 2018–2022, in particular the 'Great Communities' outcome, by helping ensure *"cultural and historical heritage and the natural environment are enjoyed and conserved"*.
- 12. The statutory basis of the archive service rests on the Local Government Act 1972 sections 224-229. Section 224 instructs principal authorities (the definition of which includes the County Council) to make 'proper arrangements' for the safekeeping of their records and records in their custody. This includes making arrangements for inspection and copying of various specified documents. The Freedom of Information Act 2000 places obligations on the County Council to maintain its records in line with the provisions of a Code of Practice on records management issued by the Secretary of State which states that archives of public authorities should only be transferred to an accredited archive service or to a storage provider compliant with relevant British Standards and able to provide the necessary access.
- 13. Archive Service Accreditation is the UK Standard for Archive Services. The scheme is administered by The National Archive.

Resource Implications

- 14. There are no new resource implications associated with these policies. However, they set the standards by which the ROLLR will operate and care for the collections it holds in trust for the people of Leicester, Leicestershire, and Rutland. Achieving these standards will require an ongoing resource commitment from all three partners.
- 15. The most significant implication of maintaining these standards is the need for the ROLLR to resolve its current lack for storage space. This is being addressed through work on the Archives, Collections and Learning (ACL) Hub, a report on which was considered by the Cabinet on 12 June 2018.
- 16. A Programme Board, chaired by the Assistant Director (Strategic Commissioning), is in place and has commissioned the development of a Royal Institute of British Architects stage 2 design. This work will provide a costed design proposal for the delivery of an ACL Hub on the County Hall campus. The outcome of this work will

be reported to the Cabinet, in order to determine whether this scheme should be progressed.

- 17. There is no capital allocation in the current Medium Term Financial Strategy 2023-2027, although the scheme is reflected in the future development programme.
- 18. The Director of Corporate Resources and the Director of Law and Governance have been consulted.

Circulation under the Local Issues Alert Procedure

19. None.

Officers to Contact

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<u>PART B</u>

Background

- 20. The County Council manages the ROLLR on behalf of a partnership with Leicester City Council and Rutland Council. These arrangements are based upon a legal agreement with each partner and ensure each authority is able to dispense its statutory responsibilities with regard to the provision on an archive service. Each partner makes a proportionate financial contribution towards the annual operating costs of the ROLLR.
- 21. The ROLLR is delivered from the Record Office, Long Street, Wigston.
- 22. The Accreditation standard defines good practice and identifies agreed standards, encouraging and supporting development and is made up of three sections:
 - Organisational health;
 - Collections;
 - Stakeholders and their experiences.
- 23. Each section is broken down into requirement grouped as follows:
 - Policies describing the overall intentions and direction of an organisation;
 - *Plans* forward looking documents that set out the objectives of the organisation and identify the actions needed to achieve them in line with the organisations policies and to deliver its mission;
 - *Procedures* which describe a specified way to carry out an activity or process.
- 24. The ROLLR's last accreditation standard award was received in February 2018 and The National Archive have advised that the resubmission for accreditation is required by November 2023.

Collections Development Policy

- 25. The Collections Development Policy, attached as Appendix A, approved by the County Council as the governing body, is a requirement of accreditation. The policy must cover the acquisition, passive and proactive accruals, appraisal and deaccessioning of material (taking material out of the collection), as well as analogue and digital materials where these are held. The amendments to the Collections Development Policy, are minimal and primarily relate to consistent terminology.
- 26. Below is a brief summary of the key elements of policy:
 - a) Introduction This contains the ROLLR's mission statement ("We aim to collect and preserve the written, printed, recorded and digital heritage of Leicestershire, Leicester and Rutland and encourage as many people as possible to access, use and contribute to this rich and diverse archive in many different ways.") and a brief description of the service provided.
 - b) Scope This outlines the different types and format of collection that are within the ROLLR remit.

- c) *Purpose* This explains the full collecting remit of the ROLLR, including loans, transfers, donations, purchases, and bequests.
- d) *Definition of Terms* This explains what is meant by the key terms of loans, donations, purchases, bequests, transfers, and targeted and commissioned collecting.
- e) *Responsibilities* This explains the governance and review processes used by the ROLLR, including the role of the Scrutiny Committee and the Cabinet.
- f) Policy statements A series of statements which sets out how, why and where the ROLLR will collect. The overarching intention is "The Record Office collects (on loan or by donation, purchase or bequest), maintains and makes available to all any significant recorded material relating to the life and history of the diverse communities of the counties of Leicestershire and Rutland and the City of Leicester."
- g) *Related Policies, Legislation and Guidance* This refers to any related policies, including the ROLLR Access Policy.
- h) *Review of policy* This records dates of previous policy reviews and sets future review dates. This policy is due to be reviewed no later than 2028.

Access Policy

- 27. The proposed Access Policy 2023-28, attached as Appendix B, must be approved by the County Council, as the governing body and is a requirement of accreditation. The policy sets out the service's approach to access and ensures that the service works in accordance with the Equality Act 2010. This policy has a new clearer format, similar to the Museum Service Access Policy approved by the Cabinet in November 2021.
- 28. The Access Policy must specify the ways in which access is provided and enhanced for all users and stakeholders, appropriate to the organisation's mission statement and the nature and scale of its collection.
- 29. The policy also sets out the ROLLR's commitment to providing a culture where people of all backgrounds and experiences feel appreciated and valued and access will be provided for everyone.
- 30. Below is a brief summary of the key elements of policy:
 - a) Introduction This contains the ROLLR's mission statement ("We aim to collect and preserve the written, printed, recorded and digital heritage of Leicestershire, Leicester and Rutland and encourage as many people as possible to access, use and contribute to this rich and diverse archive in many different ways.") and states the intention of the Access Policy which is to "engage openly, positively and equally with communities and our commitment to achieve equality of opportunity by working to remove or minimise barriers that prevent people engaging with our archive service, buildings, collections, website, social media

channels, learning programmes, events, volunteer opportunities and engaging with our staff."

- b) Scope This outlines that the policy extends across respective buildings and collection facilities, website and other online activities, and other venues where outreach and engagement programmes will be delivered. It also covers access for users. It does not cover access in relation to staff, volunteers, freelancers, or contractors, which are addressed elsewhere within corporate policies and procedures.
- c) *Purpose* This states the County Council's commitment to increasing access to services and resources by identifying ways to provide an accessible, engaging, innovative, sustainable, relevant, and responsive service of the highest quality.
- d) *Definition of Terms* This recognises seven principal barriers to access these being:
 - Attitudinal
- Intellectual

• Cultural

- Economic Physical/sensory
- GeographicTechnological
- e) *Responsibilities*: This explains the governance and review processes used by the ROLLR, including specific reference to the role of this Scrutiny Committee and the Cabinet, how audiences are consulted and engaged with and responsibilities in respect of the Corporate Equalities Policy and Action Plan.
- f) Policy statements This section gives detail on how barriers to access are overcome or mitigated by the ROLLR, with reference to each of the seven principal barriers to access outline above. The overarching intention is "The Record Office makes available to all the written and digital heritage of the counties of Leicestershire and Rutland and the City of Leicester. Access exists within the framework of resources, legislative requirements, and preservation needs. The Record Office aims to facilitate and extend access by understanding user needs and ensuring that the resources can be accessed in a variety of ways."
- g) *Related Policies, Legislation and Guidance* This highlights key policies and legislation that inform and guide the Access Policy. This includes national legislation such as the Equality Act 2010 and local plans and guidance.
- h) *Policy Review* This records previous reviews and sets future review dates. This policy is due to be reviewed no later than 2028.

Partnership Working and Associated Issues

31. The ROLLR is delivered in partnership with Leicester City and Rutland Councils and there are individual Service Level Agreements with Leicestershire County Council. Each partner retains ownership of the archive material related to their geographic area of responsibility. Partners have been consulted on the revised policies and have not requested any changes.

Risk Assessment

32. The Collections and Access policies are key elements of the Archive Service Accreditation submission. Failure to secure accreditation would result in the ROLLR's status as an approved place of deposit being removed. In this circumstance compliant provision would need to be made to avoid the County Council, and partners, being in breach of their statutory responsibilities with regard to the Local Government Act 1972 and the Code of Practice issued under the Freedom of Information Act 2000.

Consultation

33. Officers from Leicester City Council and Rutland Council were consulted as part of the review process and are in support of the revised policies.

Comments of the Adults and Communities Overview and Scrutiny Committee

34. The Adults and Communities Overview and Scrutiny Committee considered a report on the revised policies on 4 September and its comments will be reported to the Cabinet.

Conclusions

35. The two policies have been revised in line with relevant guidance from The National Archives and in consultation with partners. If adopted these policies will guide the ROLLR over the next five years, or until they are next reviewed.

Background papers

Archive Service Accreditation - <u>https://www.nationalarchives.gov.uk/archives-sector/archive-service-accreditation/</u>

Delivering Wellbeing and Opportunity in Leicestershire – Adults and Communities Department Ambitions and Strategy for 2020-24 <u>https://bit.ly/3swoTal</u>

Leicestershire County Council Strategic Plan 2018-22 https://bit.ly/3Pe6nh5

Report to the Adults and Communities Overview and Scrutiny Committee: 4 September 2023 – Collections Development Policy and Access Policy for the Record Office for Leicestershire, Leicester and Rutland -

https://politics.leics.gov.uk/documents/g7109/Agenda%20frontsheet%20Monday%2004-Sep-

2023%2014.00%20Adults%20and%20Communities%20Overview%20and%20Scrutiny%2 0Committee.pdf?T=0 (item 10)

Report to the Cabinet: 19 November 2021 – Updated Policies for Leicestershire County Council's Museum Service - <u>https://politics.leics.gov.uk/ieListDocuments.aspx?MId=6448</u> (Item 78)

Report to the Cabinet: 18 June 2018 – Archives, Heritage and Learning Collections Hub <u>https://politics.leics.gov.uk/ieListDocuments.aspx?MId=5181</u> (Item 159)

Code of Practice on the management of records issues under section 46 of the Freedom of Information Act 2000 -

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_ data/file/1010395/Freedom_Information_Code_Practice_Web_Accessible.pdf

Equality Implications

- 36. An Equalities Impact Assessment has been undertaken and concluded the impact was neutral. The policies do not represent any change to current functions or services.
- 37. Ensuring the Access Policy is regularly reviewed helps ensure continued deployment of the County Council's responsibilities in relation to the Equalities Act 2010 and seeks to ensure services are accessible to everyone.

Human Rights Implications

38. There are no human rights implications arising from the recommendations in this report.

Appendices

Appendix A: Collections Development Policy, 2023-2028 Appendix B: Access Policy, 2023–2028

The Record Office for Leicestershire, Leicester and Rutland

Archives Collections Development Policy 2023-28

Сог		
1.	Introduction	pg 1 -2
2.	Scope	pg 2
3.	Purpose	pg 2
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5.	Responsibilities	pg 3
6.	Policy	pg 3-5
7.	Related policies, legislation, and guidance	pg 5-6
8.	Policy review date	pg 6

1.0 Introduction

1.1 Mission Statement: We aim to collect and preserve the written, printed, recorded and digital heritage of Leicestershire, Leicester and Rutland and encourage as many people as possible to access, use and contribute to this rich and diverse archive in many different ways.

1.2 The Record Office for Leicestershire, Leicester and Rutland (ROLLR) is provided by Leicestershire County Council in partnership with Leicester City Council and Rutland County Council. This service is the means by which all three local authorities meet their legal responsibilities to collect, care for and provide access to records.

1.3 We are an area with a rich history that values its heritage, engages its communities, welcomes those who visit here, and works together with other agencies and organisations to ensure a future for the past. We will do everything that we can to achieve this, whilst recognising the limitations of our building/s and resources, by collecting, preserving and making accessible records from Leicestershire, Leicester and Rutland.

1.4 Our Access Policy (2023-28) states our intention to engage openly, positively and equally with those communities and our commitment to achieve equality of opportunity by working to remove or minimise barriers that prevent people engaging with our archive service, building/s, collections, website, social media channels, learning programmes, events, volunteer opportunities, and engaging with our staff.

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1.5 This Collections Policy sets out what we collect and states how we will ensure all our communities can be represented within the collections which we preserve for the future on their behalf.

1.6 The Record Office wants to create a culture where people of all backgrounds and experiences feel appreciated and valued and where we represent the heritage and experiences of, and provide access to, everyone - regardless of their ability, age, gender, cultural or social background, sexual orientation, faith, language, or wealth.

1.7 The Record Office is recognised by The National Archives as an Accredited Archive Service.

2.0 Scope

2.1 The policy covers provision at The Record Office for Leicestershire, Leicester and Rutland, which is a partnership between Leicestershire County, Leicester City Council and Rutland County Council.

2.2 The collections include the Public Record (NHS, Coroners, Magistrates and Prison records), diocesan, regimental, estate, family, business and local authority records and personal archives. The Local Studies Collections, including newspapers and periodicals, printed maps, a local authors collection, printed ephemera and a library of local printed books.

2.3 The collections exist in a variety of formats including parchment, paper and other similar materials, digital records and photographic, film and sound recordings.

3.0 Purpose

3.1 The purpose of this policy is to state the parameters of our collecting remit, covering loans, transfers, donations, purchases and bequests.

4.0 Definition of terms

4.1 We collect by loan, donation, purchase or bequest, by transfer from other archives and records collections and through commissioned collecting initiatives.

4.2.1 Loans: These are accepted where a depositor does not have the legal right to give away their records. Loans where the depositor is not inclined to transfer the title of ownership will be considered but we will advocate for donation as a preferred route.

4.2.2 Historically, the Record Office has also received documents on 'permanent loan'. This term is no longer used, although the principal of material not donated, yet held permanently without a right of withdrawal, is still recognised in the case of material which has been deposited historically. Permanent loan is no longer an acceptable method of deposit.

4.3.1 Donations: These are gifts to the collection where the depositor or their agents transfer the title of ownership to the Record Office.

4.3.2 Donations or loans may be accepted with certain limitations required by the depositor regarding its public accessibility. Most owners deposit their records free of charge to be used by researchers, however some owners may request certain controls on access as a condition of deposit; however, unduly restrictive conditions are discouraged. The Record Office will not accept collections which have excessively onerous access conditions attached or those which would conflict with the

principle of equal access for all. All access conditions imposed by owners will be clearly communicated to users.

4.4 Purchase: The Record Office may occasionally purchase material and will seek financial support for these acquisitions from local and national funding bodies, including the Friends of the Record Office for Leicestershire, Leicester and Rutland (FROLLR), The National Archives, the British Library and the partner authorities. Purchase of material is an important option to enable gaps in otherwise complete collections are to be filled, or to create or 'prime' a new area of collecting which will help ensure the collections are representative of our communities.

4.5 Bequest: Archive material may also be received in the form of a bequest. This may be by prior arrangement with the testator and will be subject to the same restrictions as any other means of deposit. Where appropriate (and in agreement with either testator or executors) material may be taken and if not relevant to our collections, passed on to another appropriate archives, or sold for the benefit of the collection.

4.6 Transfer: Archive and records may be collected as transfers from other archive collections where the material is considered to have a greater relevance to this area. Links through relevant professional bodies and the National Archives are maintained to ensure that negotiation and collaboration over appropriate places of deposit exists with other archives. Archive material is customarily 'taken in' to be passed to other archives; just as material is received as part of an informal, widespread, reciprocal arrangement. Material is also received from archives re-evaluating their holdings, or institutions (such as the former British Record Association) processing large deposits taken in purely for distribution.

4.7 Targeted and Commissioned Collecting: Targeted collecting is where we use our own resources, both staff and volunteers to collect material relating to events such as local elections or national celebrations etc. Commissioned or project-led collecting is where we work with communities and other agencies to co-create collections which document, reflect and represent communities.

5.0 Responsibilities

5.1 The Record Office reviews performance, policies, and procedures through the County Council's governance and reporting structure and through the Partnership Board which includes representatives from the three Partner authorities. Cabinet is responsible for the executive functions and decisions of the Council. The Adults and Communities Overview and Scrutiny Committee scrutinises the executive functions and decisions of the Council in respect of the Adults and Communities Department. Together they help ensure the Record Office, the Department and the Council meet their obligations.

5.2 The Head of Service is responsible for ensuring service managers work with their teams and colleagues to ensure that the Record Office develops, manages, preserves and makes accessible the collections for which it has responsibility.

5.3 It is the responsibility of the Senior Archivist, working with all of the Record Office team and other colleagues, including the collections and conservation, museum collections and audience development and participation teams to ensure that the collections remain relevant, reflective of our communities, accessible and in good order.

5.4 We are committed to improving our understanding of our communities and ensuring that their records and archives are preserved for the future.

6.0 Policy statement

6.1 The Record Office collects (on loan or by donation, purchase or bequest), maintains and makes available to all any significant recorded material relating to the life and history of the diverse communities of the counties of Leicestershire and Rutland and the City of Leicester.

6.2 The aim of the Record Office is to provide a central point for the accumulation and safe keeping of archival material, under professional supervision. To that end, the Record Office will accept material which meets its criteria for collecting (see 6.5). The Record Office will also actively seek out material, or appeal for material in order to complete or supplement a collection; or to strengthen holdings where they are weak or unrepresentative. Special events, commemorations, new local communities, groups, or activities may also give rise to a special collecting or campaign to ensure that the collections remain representative.

6.3 The Record Office undertakes to keep all deposited material safely and securely, subject to its policies on conservation and access. Archive material will not be accepted unless it can be safely stored and cared for, if its condition presents a risk to staff, volunteers or service users (e.g. has active mould growth etc).

6.4 The Record Office is subject to national legislation, which will affect the availability of certain classes of record. Similarly, the provision of copies is subject to legal controls. Archive material will be made available in accordance with the Record Office Access Policy (2023-28).

6.5 Criteria for Collecting

6.5.1 The collecting parameters of the Record Office are consciously broad, potentially including any archival or printed material that reveals, affects or reflects life in the area covered by the three partner local authorities. This also includes the activities elsewhere of those born in the area or those who have made it their home at some point.

6.5.2 The Collecting Policy also reflects contemporary as well as historical life, so that the archive collections remain responsive, relevant and reflective of our changing communities and of modern life in general.

6.5.3 The acceptance of any deposit is subject to the professional judgement of a qualified Archivist, supported by collections mangers and conservators. In addition to the other basic requirement (that the material relates in some way to Leicestershire, Leicester or Rutland) it is important that any item offered to the Record Office also meets a series of further requirements including:

- Relevance to current and future research and use.
- Whether it was produced in circumstances which impart a historical value it did not possess when new.
- If it relates to a sequence of local events or casts an unexpected light on typical or commonplace local experiences.
- The document/s must serve the purpose of the archive in revealing the life and history of the diverse communities of Leicestershire, Rutland and the City of Leicester.
- Age, but not to the exclusion of contemporary material.
- Duplicate material is unlikely to be accepted into the collections unless it can be identified for use in learning or audience development activities.
- Condition.
- The Record Office must have the resources to be able to store, care for and make accessible the material under consideration.

6.5.6 These criteria (particularly relevance, condition and the ability to store, care for and make accessible the material) will remain even when the archive is formed through a commissioned collecting initiative, although the criteria would be widely shared at project inception.

6.5.7 These criteria are applied for the benefit of future users of the Record Office and to ensure that the existing collections, and those which are added to its development can be preserved and made accessible to the standards required of Accredited archive collections.

6.6 Media

6.6.1 The Record Office collects and houses a wide and developing variety of means of recording information; from the traditional written, typed and printed word, to sound and video recordings, photographic media and digitally stored data.

6.6.2 This Policy allows for a flexibility of approach, to adapt to and embrace future developments in technology use. We recognise the increasingly swift obsolescence of some modern media and are seeking robust and sustainable methods to preserve and make accessible born-digital records.

6.6.3 Exceptionally, small items will be accepted as part of an archival deposit, where there is a clear link in provenance between the artefact and archive material. However, the presumption would be that the majority of artefacts would be transferred to the museum collections of the relevant authority or locality.

6.7 Geographical Area

6.7.1 The geographical areas served by and represented in the collections held by the Record Office are the County of Leicestershire, the City of Leicester and the County of Rutland.

6.7.2 These have and may alter with changes in local government.

6.7.3 From 1974 until 1997, the historic county of Rutland remained in existence, yet was administered as part of Leicestershire, but throughout the boundaries of Rutland have remained the same. The boundaries of both Leicester and Leicestershire have, however, been subject to frequent amendments, both in relation to each other and, in the case of the county, with bordering counties - in particular Derbyshire.

6.7.4 For clarity and consistency, the area covered by the Record Office's collections remains constant, as any area which is, or has ever been in Leicestershire or Rutland. This is, however, subject to local agreements with bordering authorities' archives where a more practical solution is in the best interests of potential users.

6.7.5 This is particularly relevant where a 'regional' approach has been adopted by the creators of archival material (such as both the established and some nonconformist churches, where the hierarchy has transcended county boundaries) or where records have been created by a business, which has branches, or even its headquarters, elsewhere. In such cases the Record Office will be prepared to accept ('take in') such material whilst also remaining prepared to negotiate an appropriate alternative agreement for deposit elsewhere, with other interested archival bodies.

6.7.6 The Record Office also regularly receives Public Records - national archive material of local relevance, with the approval of the National Archives.

6.7.7 Other general material from other sources will be collected where there is a clear local significance. This is particularly so in the case of local studies material.

7.0 Related Policies, legislation and guidance

7.1 Legislation

- The Freedom of Information Act 2000
- The 1962 Local Government (Records) Act and the 1972 Local Government Act cover provision of an archive service and proper arrangements for records generated by the constituent organisations.
- The 1958 and 1967 Public Records Act
- The 1978 Parochial Registers and Records Measure
- The 1924 Law of Property (amendment) Act stipulate which records need to be retained.

7.2 Local policies

- The Record Office for Leicestershire, Leicester and Rutland Access Policy 2023-2028
- Leicestershire County Council Museum Collections Management Framework
- Leicestershire County Council Museum Collections Development Policy
- 7.3 Guidance is given by The National Archives, the Archives and Records Association and other professional bodies

8.0 Review

8.1 This policy will be reviewed periodically to ensure that it remains relevant and appropriate. This may be undertaken regularly, or in response to a specific event such as new legislation. Final date of review and renewal is 2028.

8.2 Previous Review Dates

8.2.1 Established: February 2009

8.2.2 Reviewed: January 2014, October 2016, October 2017, January 2021, Reviewed May 2023

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The Record Office for Leicestershire, Leicester and Rutland Archive Access Policy 2023-28

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1.0 Introduction

1.1 Mission Statement: We aim to collect and preserve the written, printed, recorded and digital heritage of Leicestershire, Leicester and Rutland and encourage as many people as possible to access, use and contribute to this rich and diverse archive in many different ways.

1.2 The Record Office for Leicestershire, Leicester and Rutland (ROLLR) is provided by Leicestershire County Council in partnership with the City of Leicester and County of Rutland. This service is the means by which all three local authorities meet their legal responsibilities to collect, care for and provide access to records.

1.3 We are an area with a rich history that values its heritage, engages its communities, welcomes those who visit here, and works together with other agencies and organisations to ensure a future for the past. We will do everything that we can to achieve this, whilst recognising the limitations of our building/s and resources, by offering the broadest, most engaging and relevant access for all our users.

1.4 Our Collections Policy (2023-28) sets out how we want to ensure that all our communities can be represented within the collections which we make accessible and preserve for the future on their behalf.

1.5 This Access Policy states our intention to engage openly, positively and equally with those communities and our commitment to achieve equality of opportunity by working to remove, or minimise, barriers that prevent people engaging with our archive service. This includes our buildings, collections, website, social media channels, learning programmes, events, volunteer opportunities and engaging with our staff.

1.6 The Record Office wants to create a culture where people of all backgrounds and experiences feel appreciated and valued and where we provide access for everyone regardless of ability, age, gender, cultural or social background, sexual orientation, faith, language, location or wealth.

1.7 The Record Office is recognised by The National Archives as an Accredited Archive Service.

2.0 Scope

2.1 The policy covers provision at The Record Office for Leicestershire, Leicester and Rutland, which is a partnership between Leicestershire County, Leicester City and Rutland County Councils. It extends to our building and collection facilities, our website and other online activities, and in other venues where we might deliver outreach and engagement programmes such as schools, universities and community venues.

2.2 The policy relates to access for our users and does not cover access in relation to staff, volunteers, freelancers, or contractors, which are addressed elsewhere in our policies and procedures.

3.0 Purpose

3.1 The purpose of this policy is to state our commitment to increasing access to our services and resources by identifying ways to provide an accessible, engaging, innovative, sustainable, relevant, and responsive service of the highest quality.

4.0 Definition of terms

4.1 When we refer to access, we mean the opportunity to engage with our service through our building/s, collections, content, events, and expertise. We have listed the key barriers to access below, with an example to illustrate how they could be experienced.

- Attitudinal e.g. Some people may feel that the Record Office is not relevant to them, and our service does not reflect their lived experiences.
- Intellectual e.g. Some people may find our procedures unfamiliar and our collections difficult to access or understand.
- **Cultural** e.g. Some people may feel that our collections do not reflect their communities, social and cultural heritage or interests.
- **Economic** e.g. Some people may not be able to afford to use some of our services or have access to the internet where we publish our online catalogue.
- **Geographic** e.g. Some people may not be able to visit our sites due to their location (many of our collections are nationally and internationally relevant).
- **Physical/sensory** e.g. Some people with physical disabilities, limited mobility, hearing or visual impairment may not be able to, or may find it challenging to access our building, services, collections, activities, websites, or social media channels.
- **Technological** e.g. Some people may not have access to the internet and therefore are excluded from our digital content.

5.0 Responsibilities

5.1 The Record Office reviews performance, policies, and procedures through the County Council's governance and reporting structure and through the Partnership Board which includes representatives from the three Partner authorities. Cabinet is responsible for the executive functions

and decisions of the Council. The Adults and Communities Overview and Scrutiny Committee scrutinises the executive functions and decisions of the County Council in respect of the Adults and Communities Department. Together they help ensure the Record Office, the Department and the Council meet their obligations under the Equality Act (2010) through doing everything reasonably possible to make the service accessible to the widest range of people and improve lives through culture.

5.2 The Head of Service is responsible for ensuring service managers work with their teams and colleagues to maximise access by addressing the barriers outlined above.

5.3 It is the responsibility of all County Council employees and volunteers to behave in ways that promote equality and are non-discriminatory. This also applies to the way they behave to members of the public in the delivery of services and through the development and maintenance of sites to be as accessible as possible.

5.4 Our service carries out regular evaluation with audiences and consults stakeholders on any proposed changes to services. We are committed to improving our understanding of our non-users to help ensure the broadest possible access to our facilities, services, and collections.

5.5 Leicestershire County Council have a Corporate Equalities Policy and Action Plan, this is disseminated through Departmental Equality Groups, which focus on addressing areas for improvement and reviewing Equalities Impact Assessments (EIA). We will complete and EIA for any new provision and changes to existing provision.

6.0 Policy statements

6.1 The Record Office makes available to all the written and digital heritage of the counties of Leicestershire and Rutland and the City of Leicester. Access exists within the framework of resources, legislative requirements and preservation needs. The Record Office aims to facilitate and extend access by understanding user needs and ensuring that the resources can be accessed in a variety of ways.

6.2 These statements are explained below.

6.3 "Makes available to all"

6.3.1 Approach to requests for access: The Record Office understands that access to the information it holds may be requested for many and varied reasons.

6.3.2 Presumption of openness and equality: This policy assumes that records will be open to the public unless there is a legitimate reason to deny access, for example, a legal prohibition. All researchers will be treated equally, and data collected relating to the subject and purpose of research will be for statistical and monitoring purposes only. Researchers denied access for legitimate reasons will always have the reasons fully explained and be able to appeal any refusal.

6.3.3 Restrictions imposed by owners: Most owners deposit their records free of charge to be used by researchers. The owners of documents may request certain controls on access as a condition of deposit (see Record Office Collections Policy 2023-28) All access conditions imposed by owners will be clearly communicated to users.

6.3.4 The community we serve: The Record Office takes the widest possible approach when defining our community of users and stakeholders and includes future generations whose needs we aim to anticipate. Our community includes those living within Leicestershire, Leicester and Rutland as well

as all those who have an interest in the history of our region. Physical visitors, remote users, social media followers, those who attend our outreach events or see exhibitions using our material, depositors and funding partners are all part of the community we serve.

6.4 "Written and Digital Heritage"

6.4.1 Information is held in many forms and formats from parchment and paper to vinyl records, compact discs and other digitally stored data. In order to ensure present and future access to material the Record Office will endeavour to maintain the best possible storage conditions and suitable technologies appropriate to each format.

6.4.2 The written word is not necessarily always accessible: unfamiliarity with handwriting, language and its historical context can put much of our heritage out of reach for most people. It is therefore essential to provide guidance tailored to individual needs. The Record Office will ensure access to records by providing finding aids which explain, interpret and, where possible, translate the material in a way which enables more people to use and understand it.

6.4.3 Information which is not in a hard copy format presents its own challenges. The Record Office will be active in maintaining ways to access all its collections, for example, in migrating records to different formats.

6.5 Access exists within the framework of resources, legislative requirements and preservation needs

6.5.1 Resources: The Record Office functions within available resources of budgets, space and staffing. Access to records exists within this framework.

6.5.2 Legislative requirements: Access to certain classes of records is governed by legislation. The main statutes governing access are the Data Protection Act 2018 (DPA), the Freedom of Information Act 2000 (FOIA), the Environmental Information Regulations 2004 (EIR) and the and the General Data Protection Regulation 2021 (GDPR).

6.5.3 The DPA covers rights of access to personal data. The FOIA and EIRs relate to the rights of citizens to have access to information held by public authorities.

6.5.4 The Human Rights Act (1998) will also inform, where relevant, decisions on access. Article 8: the right to private and family life includes (in case law) the right of an individual to understand their childhood and early development and to be helped to obtain information relating to this. Article 6: the right to a fair trial encompasses the right of an individual to obtain relevant information held pursuant to a case or tribunal.

6.5.5 Provision of copies is also subject to legal controls such as the Copyright, Designs and Patents Act (1988).

6.5.6 Preservation needs: A principal duty of the Record Office is to ensure the long-term preservation of the material in its custody. Access may need to be restricted if harm to the records would result but will only be refused as a last resort. The Record Office aims to make full use of available technology to facilitate access to records which are too fragile or damaged to be handled.

6.6 Facilitate and Extend Access

6.6.1 Physical and remote access: Access to collections will be provided in a building with appropriate storage and public facilities including provision for those with disabilities.

6.6.2 Searchrooms will be invigilated by trained and qualified staff who will assist visitors and ensure the security of the collections.

6.6.3 It is recognized that many people will not be able to visit the office in person or may not wish to. Access to finding aids, collections and professional advice and support will be provided to remote users in the most effective ways possible, making best use of available technologies.

6.6.4 To ensure the widest possible access to the resources, users and potential users must be provided with information about the service.

6.6.5 Audience development and participation activities will ensure awareness of the service for all who have need of it.

6.6.6 Requests for access: The Record Office responds to requests for access in a variety of formats including by letter, email, telephone, in person and via social media.

6.7 Understanding User Needs

6.7.1 Collection of user data: The Record Office will participate in national and local surveys, benchmarking and other exercises which will enable a greater understanding our users and their needs. These currently include the Public Services Quality Group survey of visitors to British archives, the annual CIPFA Survey and regular review of comments, complaints and compliments.

6.7.2 Users will be encouraged to comment on the service provided and all feedback will be considered seriously and acted upon where appropriate and resources allow.

6.7.3 Non-users: The service aims to understand the needs of non-users by identifying groups which are under-represented in profiles of users. We will aim to break down barriers to use of the service by the widest possible audience and will actively promote its collections to ensure as many people as possible are aware of the service.

6.8 Resources can be accessed in a variety of ways

6.8.1 Records may be accessed in a number of ways: These include personal consultation during public opening hours, provision of surrogates (e.g. microform, digital media and online access through third parties) or research undertaken by a third party.

6.8.2 We shall provide an accessible building and with adaptive technology to enable access to the records in person.

6.8.3 The Record Office will seek to ensure that all who wish to can use the service.

- Staff will be trained in and support equalities principles relating to protected characteristics defined in the Equality Act 2010 and include gender, race, age, disability, faith and belief, sexual orientation, gender reassignment, pregnancy and maternity and marriage and civil partnership.
- Provision of access to people who cannot visit in person through the extension of online facilities and advice and research services.
- Acquiring, where possible, specialist equipment to enable those with disabilities to use the records.

6.9 We are committed to maximising access and will uphold the statutory requirements of the Equality Act (2010). We will do this in a number of ways, including, but not limited to:

6.10 Physical/Sensory access

6.10.1 Physical access to the Record Office is an essential requirement for our service delivery and we will take all reasonable steps to ensure our building is accessible to all. We work in an historic building and, whilst this presents us with some accessibility challenges, we will overcome these by:

- Providing accessible seating throughout our public spaces including our search rooms.
- Ensuring our building and facilities are accessible and have adaptive technology where possible.
- Providing alternative engagement opportunities when access is difficult.
- Providing access to online content for those who cannot leave their homes or access the Record Office search rooms.
- Considering sensory requirements in the design of our buildings, exhibitions and engagement.
- Striving to consult on sensory requirements with users and non-users and working with specialist organisations.
- Providing quieter spaces with less sensory engagement for those who need it.
- Providing training for staff and volunteers.

6.11 Intellectual access

6.11.1 We recognise that not everybody thinks, learns and understands in the same way and we will try to provide a variety of ways to provide access to the archives and information that we have.

6.11.2 We will do this by:

- Providing signage and information that is accessible to a broad range of visitors.
- Ensuring that our staff are able to 'translate' and interpret archival documents which are not easily understood by many people.
- Using best practice standards and guidelines (including the Museums Style Guide and MENCAP guidelines) to ensure the text we use in exhibitions, educational resources, publications, websites and social media channels meet the needs of our intended audiences.
- Providing a varied learning programme for schools, SEN schools and SEN units in mainstream schools through the Creative Learning Service team.
- Ensuring our staff receive training and resources to support them to tailor our services to meet the needs of different audiences.
- Using technology and providing information in other formats to help people engage with our collections.
- Evaluating our online presence to make sure that we are communicating effectively.
- Consulting with specialist user groups and organisations to make sure that we are doing things in the right way.
- Working in a collaborative way with specific groups to make sure that our services are accessible to people with a wide range of learning skills.

6.12 Attitudinal access

6.12.1 We will strive to remove barriers to our service created due to a lack of understanding, misconceptions or bias.

6.12.2 We will do this by:

- Engaging with a range of communities and groups to understand potential barriers, including those where there are low levels of engagement.
- Fully embedding our shared corporate values of Positivity; Trust & Respect; Flexibility; Openness & Transparency; Confidence, Clarity, Respectfulness, Fairness and Accountability.
- Providing training that supports our staff and volunteers to effectively communicate and engage with different types of service users.
- Ensuring our activities and platforms do not use negative stereotypes or re-enforce misconceptions.

6.13 Cultural access

6.13.1 We recognise that our collections and public profile may not reflect the cultural experiences, heritage and interests of all the communities of Leicestershire, Leicester and Rutland and therefore we will strive to reflect our communities better.

6.13.2 We will do this by:

- Evaluating and identifying areas where we can improve the relevance of our collections to communities who are not currently well represented.
- Working in a collaborative way with our service Participation and Audience Development team and with specific groups and communities to remove cultural barriers and make sure that our collections and public profile are more representative.
- Ensuring our staff and volunteers receive training and resources to support them to identify and overcome cultural barriers to accessing our services.
- Consulting with specialist user groups and organisations to make sure that we are doing things in the right way.

6.14 Economic access

6.14.1 We recognise that our geographic location and some of the charges which we make can prevent some audiences from accessing our building and some of our services, so we will ensure we offer a variety of access arrangements and price points to make it easier for these audiences to engage with us.

6.14.2 We will do this by:

- Offering remote access to our collections, knowledge and services.
- Offering a variety of prices within our retail offer and our charges.
- Offering free activities and resources on site and online.
- Further developing online resources and a schools learning offer delivered by Creative Learning Services for schools that cannot afford transport to our building.

6.15 Geographic access

6.15.1 We are a single site, located in a town on the immediate outskirts of Leicester with public transport links to the city and its railway and central bus stations. We have limited free car parking for service users. However, we acknowledge that it is difficult for some service users (especially

international users) to visit us in person. We will continue to develop ways of giving access to our collections and knowledge remotely. We will also seek to develop new ways of allowing audiences to engage with us in different ways.

6.15.2 We will do this by:

- Providing a remote enquiry service which includes telephone, written and email enquiries.
- Loaning our collections and exhibitions to other venues, archives, museums and galleries locally, nationally and internationally.
- Providing quality online experiences and resources which enable local people, people from across the UK and from around the world to engage with our collections and stories.
- Continuing to develop our remote learning offer in partnership with LCC's Creative Learning Service and by building relationships with our three local universities.
- Working with the Participation and Audience development team to engage with those people who are unable to visit the Record Office for a wide variety of reasons.

6.16 Technical access

6.16.1 New technologies are providing new ways for us to interpret and share our collections; tell the stories contained within them and engage with our audiences. However, we recognise lack of access to technology, poor content and systems and applications that do not meet access standards create new barriers for audiences and we are committed to avoiding this.

6.16.2 We will do this by:

- Making our website and mobile applications accessible, in accordance with the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018.
- Ensuring that our onsite WIFI provision allows our users to engage with our digital content on their own specialist devices if required, as well as providing networked pcs with access to the internet for our visitors to use.
- Aiming to make access to our own specialist and technical expertise and resources fully available to all, including those who cannot access our digital offer, through visits, on-site engagement, activities and events, and remote enquiries and contact.
- Learning from and sharing with technological learning and practice with other heritage and community organisations.

7.0 Related policies, legislation, and guidance

7.1 Government

- The Equality Act 2010 <u>https://www.gov.uk/government/publications/inclusive-</u> communication/accessible-communication-formats
- Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018.

7.2 Leicestershire County Council

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- Leicestershire Council's Equality Strategy 2020-24 Action Plan 2020-21
 https://leics.sharepoint.com/sites/intranet/AboutUs/Pages/Equality-Strategy.aspx
- International WCAG 2.1 AA accessibility standard <u>https://www.leicestershire.gov.uk/about-the-council/equality-and-diversity/equalities-policy-statement</u>

7.3 ROLLR Policies

- Record Office for Leicestershire, Leicester and Rutland Collections Development Policy 2023-2028
- Leicestershire County Council Museum Collections Management Framework
- Leicestershire County Council Museum Collections Development Policy

7.4 Guidance

- Autism East Midlands Environmental Audit
- Association for Accessible formats https://www.ukaaf.org/

8.0 Review of this policy

8.1 This policy will be reviewed periodically to ensure that it remains relevant and appropriate. This may be undertaken regularly, or in response to a specific event such as new legislation.

8.2 Final date of review and renewal is 2028.

8.3 Previous Review Dates

- 8.3.1 Established: February 2009
- 8.3.2 Reviewed: January 2014, October 2016, October 2017, January 2021, May 2023

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CABINET – 15 SEPTEMBER 2023

LEICESTERSHIRE AND RUTLAND SAFEGUARDING CHILDREN PARTNERSHIP ANNUAL REPORT 2022/23

REPORT OF THE DIRECTOR OF CHILDREN AND FAMILY SERVICES

<u>PART A</u>

Purpose of the Report

- 1. The purpose of this report is to bring to the Cabinet's attention the Annual Report 2022/23 for the Leicestershire and Rutland Safeguarding Children Partnership (LRSCP) for consultation and comment.
- 2. The final Annual Report is the report of the identified Safeguarding Partners who must publish an annual report on the effectiveness of multi-agency arrangements for safeguarding children.
- 3. Any comments or proposed amendments made by the Cabinet will be addressed in the final report before it is published at the end of September.

Recommendations

4. It is recommended that the Cabinet notes and comments on the Leicestershire and Rutland Safeguarding Children Partnership (LRSCP) Annual Report for 2022/23.

Reasons for Recommendations

- 5. Leicestershire County Council is one of the statutory Safeguarding Partners who have a shared and equal statutory duty with the local Integrated Care Board and Chief of Leicestershire Police to agree and make arrangements to work together to safeguard and promote the welfare of all children in Leicestershire.
- 6. It is a statutory requirement, as set out in Working Together 2018, that the Safeguarding Partners publish a report at least once every twelve months on the arrangements and their effectiveness.
- The multi-agency safeguarding arrangements locally are managed through a partnership – the Leicestershire and Rutland Safeguarding Children Partnership that covers the counties of Leicestershire and Rutland. They were updated and published in October 2022 <u>here</u>.
- 8. In Leicestershire and Rutland, the Annual Report has traditionally been presented to the Cabinet and the Children and Families Overview and Scrutiny Committee.

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9. Presenting the Annual Report enables the Cabinet to comment on the content of this document and consider whether it identifies matters that it wishes to address in relation to the effectiveness of safeguarding within the work of the Authority.

Timetable for Decisions (including Scrutiny)

- The Annual Report of the LRSCP was considered by the Children and Families Overview and Scrutiny Committee on 5 September 2023. The Committee welcomed the content of the Annual Report.
- 11. Any proposed additions or amendments to the Annual Report made by the Cabinet will be considered by the Safeguarding Partners for incorporation into the final documents which will be published by the end of September 2023.

Policy Framework and Previous Decisions

- 12. The Children Acts of 1989 and 2004 set out specific duties for local authorities, working with partner organisations and agencies, to safeguard and promote the welfare of all children in their area. Section 17 of the Children Act 1989 puts a duty on the local authority to provide services to children in need in their area; section 47 of the same Act requires local authorities to undertake enquiries if they believe a child has suffered or is likely to suffer significant harm.
- 13. These duties can only realistically be discharged with the full co-operation of other partners, many of whom have individual duties when carrying out their functions under section 11 of the Children Act 2004.
- 14. The Children and Social Work Act 2017 and Working Together 2018 (statutory guidance on inter-agency working to safeguard and promote the welfare of children) give responsibility for this join-up locally with the safeguarding partners, the Police, Integrated Care Board (ICB) and the local authority, which have a shared and equal duty to agree and make arrangements to work together to safeguard and promote the welfare of all children in a local area.
- 15. As stated above the LRSCP manages the statutory multi-agency safeguarding arrangements for the counties of Leicestershire and Rutland. The arrangements were published on 28 June 2019 and commenced on 29 September 2019. These arrangements replaced the former Local Safeguarding Children Board (LSCB).
- 16. It is a statutory requirement, as set out in Working Together 2018, that the Safeguarding Partners publish a report at least once every twelve months on the arrangements and their effectiveness.

Resource Implications

- 17. There are no resource implications arising from this report, as this is a retrospective report. The LRSCP operates within a budget to which partner agencies contribute.
- Safeguarding partners have, along with Safeguarding Adults Board (SAB) statutory partners set a single agreement of principles to share the operating costs of the Safeguarding Children Partnerships (SCP) and Safeguarding Adults Boards for Leicestershire and Rutland.

- As part of this agreement Leicestershire County Council contributed £119,266 to the SAB and SCP in 2022/23. This is 33% of the total funding for the Leicestershire and Rutland SAB and SCP (£364,633). This compares with £102,496 in the previous year which was 31% of the total budget for the Leicestershire and Rutland SCP and SAB of £327,126 in 2021/22.
- 20. Leicestershire County Council also hosts the Safeguarding Boards' Business Office that supports the SCP and SAB.

Circulation under the Local Issues Alert Procedure

21. None.

Officers to Contact

Jane Moore, Director of Children and Family Services Telephone: 0116 305 6340 Email: <u>Jane.Moore@leics.gov.uk</u>

PART B

Background

- 22. The multi-agency safeguarding arrangements for Leicestershire and Rutland were published on 28 June 2019 and commenced on 29 September 2019. The arrangements are reviewed each year by the Safeguarding Partners and changes are reported in the Annual Report.
- 23. The Safeguarding Children Partnership shares some operational arrangements with the Leicestershire and Rutland Safeguarding Adults Board (LRSAB) and some partnership structures with the Leicester Safeguarding Children Partnership Board (LSCPB).

Annual Report 2022/23

- 24. The key purpose of the Annual Report is to assess the impact of the work undertaken in 2022/23 on safeguarding outcomes for children in Leicestershire and Rutland. Specifically, it evaluates performance against the priorities that were set out in the LRSCP Business Plan 2022/23.
- 25. A pre-publication draft of the Annual Report 2022/23 can be found as the Appendix to this report.
- 26. The report outlines the learning, assurance, training and improvement activity of the LRSCP and its partners and the impact this has had on safeguarding children. Key messages from the SCP specifically in relation to Leicestershire are:
 - a. Partner organisations, workers and managers have worked well together to safeguard children and to identify needs and areas for improvement to safeguard children in the midst of ongoing challenge and change relating to the post-pandemic era and other societal pressures such as the cost-of-living crisis.
 - b. The Partnership has continued its work to respond to emerging risks, such as safeguarding babies. For example, early in 2022/23, ICON was launched across the local Safeguarding Children Partnerships. ICON is an evidenced-based programme focused on reducing abusive head trauma (AHT) triggered by crying. The mnemonic ICON outlines the key messages of the programme: Infant crying is normal, Comforting methods can help, It's OK to walk away, and Never, ever shake a baby.
 - c. We continued with work established in 2021 around Child Mental Health and Emotional Wellbeing.
 - d. We completed lots of work seeking assurance on Keeping Adolescents Safe / Supporting Safe Adolescents after establishing a Task and Finish group.
 - e. Work has continued to understand how well the Partnership works to safeguard children from diverse backgrounds.
 - f. The Partnership has worked to improve engagement with schools from all sectors and improve learning processes with its priority of Effective Safeguarding in independent and out of school settings. This included setting up an independent schools' forum during 2022/23. The forum allows independent schools to consider topics specific to them such as safeguarding across borders, the independent inquiry into child sexual abuse on residential schools, and guardian arrangements.

g. The Partnership will continue to work together, consider and respond to national developments relating to safeguarding, foster a reliable, trusting culture in organisations and across the area and challenge and drive improvement in

Consultations

27. The Annual Report includes a summary of the consultation and engagement work the SCP has carried out with children and young people. There are several quotes.

multi-agency safeguarding of children.

28. All members of the SCP have had opportunities to contribute to and comment on drafts of the Annual Report.

Equality Implications

29. Safeguarding children, young people and adults concerns individuals who are likely to be disadvantaged in a number of ways. Information on differing needs of and impacts on different groups of individuals with regard to safeguarding is considered as part of the process to develop the Partnership's Business Plan. The Partnership had a specific priority in 2022/23 to explore the safeguarding of children from diverse backgrounds. The work on this is continued into 2022/23.

Human Rights Implications

30. There are no human rights implications arising from the recommendations in this report.

Crime and Disorder Implications

31. There is a close connection between the work of the LRSCP and that of community safety partnerships in Leicestershire. For example, the LRSCP works closely with community safety partnerships to scrutinise and challenge performance in community safety issues that affect the safeguarding and well-being of individuals and groups, for example domestic abuse and Prevent. The LRSCP also supports community safety partnerships in carrying out Domestic Homicide Reviews and acting on their recommendations.

Background Papers

Report to the Cabinet on 17 September 2021 "Leicestershire and Rutland Safeguarding Children Partnership Annual Report 2020/21" <u>https://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=6446&Ver=4</u>

<u>Appendix</u>

Draft Annual Report of the Leicestershire and Rutland Safeguarding Children Partnership 2022/23.

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Leicestershire & Rutland Safeguarding Children Partnership Annual Report - 2022-23

Foreword

We are pleased to present this report of the Leicestershire & Rutland Safeguarding Children Partnership that covers the period from 1st April 2022 to 31st March 2023.

Over the year, as the impact of the Covid-19 pandemic on the everyday work of organisations decreased, the partnership was able to return to more pre-pandemic practices. For example, we have increased the number of face-to-face training events offered. We also recognise that a more blended and flexible approach to learning is now more suitable and effective for a multi-agency workforce that continues to face significant capacity issues.

Our approach is system-led but child-focused. In responding to national reviews and local learning, we have increased our quality assurance work, with a view to further increasing the correlation with service improvement. As we enter the next year, we will continue to map how the outcomes of our procedural and audit activity directly benefits frontline practice and, in turn, directly impacts the lives of children and their families.

We want to thank all the dedicated workers and managers, whether frontline or in support roles, in organisations across Leicestershire & Rutland that are working to support the welfare and safety of children.

The Safeguarding Partners for Leicestershire & Rutland



"The Social Worker needs a medal! She has done so well and she gives our child chances and listens to him. She thinks about what our child needs. She gives him trust and he responds to that. The Social Worker has saved him." Leicestershire Parent/Carer

"The worker has been an absolute diamond. She has always been on the end of the phone. I have not felt like it's been intrusive at all. She is just lovely" Rutland Parent/Carer

The Partnership

The Leicestershire & Rutland Safeguarding Children Partnership (SCP) brings together organisations across the counties of Leicestershire and Rutland with the vision:

"For children and young people in Leicestershire and Rutland to be safe, well and achieve their full potential"

The members of the partnership include the statutory safeguarding partners: Police, Local Authorities, and Integrated Care Board. For the beginning of the period this report covers, the Clinical Commissioning Groups for the area were statutory safeguarding partners, but these were replaced by Integrated Care Boards from July 2022.

The membership also includes other relevant agencies including schools, health agencies, probation and other organisations working with children. The full membership of the partnership can be found on the SCP website https://lrsb.org.uk/scp-membership-list.

The Partnership:

- · Sets how organisations should work together to safeguard children
- · Provides multi-agency training and development resources to support good safeguarding
- Tests how well organisations are working together and the difference this is making
- Reviews serious safeguarding incidents to identify improvements needed
- Uses learning and feedback to improve and develop how agencies work together to safeguard children.

During 2022-23, independent scrutiny was led by an Independent Advisor. The Independent Advisor for Leicestershire and Rutland was jointly appointed with the Leicester Safeguarding Children Partnership Board. The Independent Advisor scrutinised the work and effectiveness of the partnership and provided an independent view into decisions regarding Local Child Safeguarding Practice Reviews. For 2023-24, the Leicestershire & Rutland Safeguarding Children Partnership (SCP) and Leicester Safeguarding Children Partnership Board (SCPB) will appoint an Independent Chair.

This is the statutory report of the SCP outlining the work it has carried out from April 2022 to the end of March 2023.

For more information on how the SCP works please visit <u>https://lrsb.org.uk/lrscp</u>.



The work of the Partnership

The Priorities of the Partnership

The SCP worked with the Leicester Safeguarding Children Partnership Board to identify shared priorities for 2022/23. Three of these priorities – Safeguarding Babies, Child Mental Health and Emotional Wellbeing and Safeguarding Children from Diverse Backgrounds – were continued from 2021/22. This was due to the continued national and local prevalence of these themes and the breadth of the work requiring completion to achieve an appropriate level of assurance.

The work on these priorities was embedded within the assurance, training, procedure and review work of the partnership outlined further in the following sections of this report.

Safeguarding Babies:

Improving how we work together with families before and after births to safeguard babies and seek assurance that multi-agency working with families to safeguard babies is effective.

Rationale (established 2021-22):

- Recent local and national case reviews as well as assurance work of the partnerships have highlighted safeguarding risks to babies
- National increase in number and proportion of serious safeguarding incidents that relate to baby deaths and harm to babies.
- Two national reviews, three local reviews, and three further rapid reviews regarding baby deaths, exploring shaken babies; contact and working with
- fathers/males; substance misuse; pre and post-birth planning; safer sleeping.
- Covid-19 response has affected services for expectant and new mothers and has been seen to cause additional stress in family environments, which can increase risk factors.

What we did:

Early in 2022/23 <u>ICON</u> was launched across the local Safeguarding Children Partnerships. ICON is an evidenced-based programme focused on reducing abusive head trauma (AHT) triggered by crying. The pneumonic ICON outlines the key messages of the programme: Infant crying is normal, **C**omforting methods can help, It's **O**K to walk away, and **N**ever, ever shake a baby.

National ICON Week took place from 26th-30th September 2022 and was supported by the local Safeguarding Children Partnerships which included:

- Engaging fathers and male carers in <u>ICON</u> messages through promoting two <u>videos aimed at young</u> <u>fathers</u>
- Launching and publicising the Safeguarding Children Partnerships' <u>ICON web pages</u> which offer national and local resources to help parents cope with infants crying
- A radio campaign delivered by EAVA community radio using ICON messages aimed at members of our diverse community voiced in Somalian, Gujarati, Hindi

- Local midwives, health visitors and our named safeguarding GP being filmed giving out the timely touch point ICON messages in a short video which can be used to teach parents and multi-agency staff the importance of not shaking babies. This is unique to LLR and we aim to share this nationally on the ICON national website and with other ICB areas
- Social media communications about ICON week sent out across our partnership organisations
- Multi-agency training demonstrating the roll out of ICON across LLR and the targeting of more vulnerable
 parents with low birthweight and premature babies and when parents had substance misuse or parenting
 issues.

During ICON week, the ICON Resources webpage on the Leicestershire & Rutland website was accessed 144 times.

A request has been made for our <u>local ICON launch</u>, led by the Integrated Care Board, to be promoted nationally.

Impact:

Measuring the impact of ICON is a key deliverable for our 2023-25 business plan.

We have received positive feedback from one of the families affected by Abusive Head Trauma who have been pivotal in supporting the design and roll out of ICON nationally.

Feedback has also been received from the ICON Founder and Chief Programme Advisor Dr Smith highly praising Leicester, Leicestershire and Rutland's approach:

"I am absolutely blown away by this! You have all done such an amazing job...There is so much to applaud here...The examples of good practice are so innovative and already embedded."

ICON Founder and Chief Programme Advisor

"I cried for all that you are doing. That the ICON message is reaching all the touch points, and that it is in the red book. You have really nailed it and you have created all that I could have hoped for in Leicestershire and beyond." Parent representative for ICON



Child Mental Health and Emotional Wellbeing:

Seek assurance that partnership working supports good mental health for children and that mental health and safeguarding are effectively addressed together.

Rationale (established 2021-22):

- Previous case reviews, assurance work and work with young people have identified the following which require further work and assurance
- Gap in joint working when children in need of safeguarding have been referred to mental health services
- Young people report mental health support needs not always well understood by schools (being addressed by Welfare Education Return training)
- Follow up to 2021 assurance work regarding safeguarding and CAMHS waiting lists
- Young people tell us that effective mental health support remains a high priority for them.
- Surveys and cases suggest ongoing Covid restrictions are having an impact on mental health of children and young people.
- There is ongoing work regarding design of services and pathways for child mental health that will link with safeguarding.

What we did:

Assurance was sought by the SCPs and, at the August 2022 meeting of the Planning and Delivery Group (PDG), a presentation was received regarding Children and Young People (CYP) Mental Health and Neuro Diverse (ND) Transformation from Leicestershire Partnership NHS Trust (LPT). It was agreed that a forum for discussions to take place about child mental health, emotional wellbeing, and safeguarding, in a more in-depth manner would be useful.

Impact:

Meetings have since taken place between the PDG Chair and the Chairs of the new Children and Young People (CYP) Mental Health Integrated Collaborative Delivery Group to build links between the collaborative and the Safeguarding Children Partnerships. The collaborative has been established to empower local partners to work collectively towards the betterment of Children and Young People Mental Health pathways within the region.

Our 2023-25 *business plan will continue to seek assurance that children subject to safeguarding arrangements and Child and Adolescent Mental Health Services (CAMHS) are effectively safeguarded through effective multi-agency working.*

Keeping Adolescents Safe / Supporting Safe Adolescents: Seek assurance that there is a clear governance and approach for safeguarding children from harm outside the home and that it is effective.

Rationale:

- Work to develop a life-stage approach to safeguarding children relating to extra-familial threat/harm outside the home.
- Ongoing concerns regarding a clear response to peer-on-peer sexual abuse
- · Developing national approach regarding 'serious youth violence'

What we did:

The SCPs received an update from the LLR Child Criminal Exploitation Operations Group. The group continues to oversee the development of a Contextual Framework to provide Adolescent Safeguarding and promote awareness raising to prevent future harm. The group provided assurance that:

- They continue to oversee the development of a Contextual Framework to provide Adolescent Safeguarding and promote awareness raising to prevent future harm.
- This includes the development of a Community Safety Plan, which is overseen independently by our Safeguarding Units. This is a statutory document, which holds as much weight as a Child Protection Plan, which responds to worries and harm outside the home, within the context of where the harm occurs and transitions with the child after eighteen. This intensive targeted support will offer an alternative child protection plan for children at risk of extra familial harm.
- There is engagement with the DfE funded Tackling Child Exploitation Support Programme.
- Children's Social Care have worked in collaboration with Leicestershire Police to develop a Protocol for Children in Custody. This will support a child's wellbeing, identify underlying vulnerabilities by information exchange and improve children's lived experience in being received into police custody.
- The group has representation within the Contextual Safeguarding Network for strategic leads.
- There is use of DfE Practice Principles to tackle exploitation and extra-familial harm to support a collaborative partnership response to safeguard adolescents.
- The Child Criminal Exploitation Operations Group has oversight of the progression of our partnership data set. This is supported by the Daily Risk Management Meeting (DRMM) and the Fortnightly Operational Review Meeting (FORM). The partnership is represented at these risk management meetings and need to be satisfied that all resources and opportunities have been utilised to improve safety and a reduction in risk.
- Progression tracking of high-risk cases is debated by the partnership and professional challenge is welcomed.
- There is a planned scoping exercise to map the existing safeguarding response to Extra-Familial Harm provided by the local hub. This will also consider the interlinked agency pathways across the partnership to services that protect and support Adolescent Safeguarding. This will offer a coordinated approach across statutory and support services to implement early intervention and prevention programmes.
- A new quality assurance framework has been developed to not only analyse the data sets and indicators

to understand trends and themes, but to also monitor the quality of partnership risk management meetings. This will provide both reassurance and quality assurance that best practice is demonstrated in both supporting victims and utilising harm reduction approaches to challenge harmful behaviours.

- In response to our Missing children, we continue to offer independent return interviews. This work
 is quality assured through dip sampling Return Interview documentation. Diagnostic work is being
 undertaken in relation to the analysis of nil returns and how we respond to the unmet need of those
 children that for whatever reason do not engage with interviews. We continue to capture their voice and
 circumstances of the missing episodes, by trusted adults advocating for them.
- Becoming a trauma informed partnership will assist in early identification of our vulnerable children, improve response time and overall outcomes for children.
- A legacy from the Harm outside the Home DfE Project is the <u>www.childexploitationeastmidlands.org</u>. uk website, which the SCP supported in its development. The site aims to provide schools a one stop access point to raise awareness and encourage working together to prevent child exploitation and abuse. A trauma-informed toolkit is available to education to assist in recognising the signs associated with childhood trauma and adverse childhood experience. The site also signposts to local services and multiagency training.

Impact:

Whilst work has been undertaken locally, there is ongoing work to be done, particularly around putting in place a strategic plan for the local approach to safeguarding children from extra-familial threat. The Safeguarding Children Partnerships will, throughout 2023-25, continue to seek assurance that local safeguarding partners are working together to effectively safeguard children from extra-familial threat. This will include supporting a new regime of multi-agency audit work.



Safeguarding Children from Diverse backgrounds:

Understand and improve how well partners work together with children and families from diverse backgrounds.

Rationale (established 2021-22):

• The SCPs do not have information on whether the ethnic or cultural background of a child or other diversity factors have an impact on how well agencies work together with children and their families to safeguard children.

What we did:

A task and finish group was set up to take this work forward, chaired by an independent expert. The following work was completed:

- · A local agreement of the definition of "cultural competence" was confirmed
- A survey of practitioners took place, including voluntary and community sectors
- Practitioner focus groups were held
- · Learning from reviews and local data was collated

An overview of workstreams, strategies, initiatives, and resources across the partnerships that relate to safeguarding children from black and minoritised communities was identified

Quantitative data was provided by all three Local Authorities, Police, Integrated Care Board (ICB), and Domestic and Sexual Violence and Abuse (DSVA) services.

Impact:

Consideration of race and cultural competence is now embedded in all audits and reviews across the Safeguarding Children Partnerships. Training that considers safeguarding children from diverse backgrounds was delivered to 520 delegates across the partnerships through 25 different training sessions, whilst a further 432 people watched relevant training videos. The partnerships recognise that Safeguarding Children from Diverse backgrounds needs to be an ongoing priority and that the task and finish group was just the start. The business plan priority for 2023-25 includes improved understanding of the role of immigration status, culture, faith, and parenting.

Effective Safeguarding in independent and out of school settings:

Work with faith groups, independent schools, community organisations and other settings to support them to play an effective role in safeguarding children.

Rationale:

- SCP consideration of Independent Inquiry into Child Sexual Abuse (IICSA) reports and local LADO and national data identify the need and opportunity for further work with religious institutions, alternative education and other out-of-school settings to support robust safeguarding.
- SCP initial conversation with independent schools identified the need to develop specific ongoing engagement approach.

324

What we did:

An independent schools forum was set up during 2022/23. The forum allows independent schools to consider topics specific to them such as safeguarding across borders, the independent inquiry into child sexual abuse on residential schools, and guardian arrangements.

A multi-agency task and finish group has been set up, chaired by Local Authority Designated Officers (LADOs), to progress the other key deliverables in this objective focusing on out of school settings, small and community organisations. This work will continue into the 2023-25 business plan.

Impact:

The independent schools forum is well attended with around 20 delegates per meeting. One outcome was a request that social care nationally allow more time for referrals to be completed before timing out. This request was raised at the National Safeguarding Children Partnership Manager Network and local areas agreed to consider making the required changes.

Training Delivery numbers realised towards priorities:

Safeguarding Babies: 8 sessions were delivered to 465 attendees

Child Mental Health & Emotional Wellbeing: 15 sessions were delivered to 353 attendees

Keeping Adolescents Safe/Supporting Safe Adolescents: 18 sessions were delivered to 472 attendees

Safeguarding children from diverse backgrounds: 25 sessions were delivered to 520 attendees

Effective Safeguarding in independent and out of school settings: in terms of action taken, a more extensive mailing list has been developed. We have trained practitioners in independent and out of school settings in our business-as-usual safeguarding training as typically expected.

For further information, please see the Training section below.

Combined number of people who attended training or watched a training video against the SCP Business priorities:

Priorities	Trained	Watched a Training Video	Total
Safeguarding Babies	465	1054	1519
Child Mental Health and Emotional Wellbeing	340	432	772
Keeping Adolescents Safe / Supporting Safe Adolescents	472	75	547
Safeguarding Children from Diverse Backgrounds	520	432	952
Effective Safeguarding in Independent and Out of School Settings			0
	Total of professionals benefited from SCP training		3790

Quality assurance and service improvement

The SCP has a Quality Assurance Framework shared with the Leicester Safeguarding Children Partnership Board. This can be found here <u>https://lrsb.org.uk/lrscp</u>.

During the year the SCP reviewed comparative data for the safeguarding system against other areas of the country. End of year data had not been considered by the time this report was completed and is not able to be shared. It will be considered early in the next business year.

Self-Assessment

During 2022-23 the safeguarding partners and specific relevant agencies carried out a self-assessment of their safeguarding effectiveness. The Section 11 is designed for agencies to provide assessment of their current performance in several key areas in relation to safeguarding children and to provide a reasonable comparison with results from the previous two years.

Following improvement work in the year almost all partner agencies provided some evidence that they were effective across all areas in the assessment:

- Strategic and Governance Arrangements
- Impact on Safeguarding Considered in Service Change
- Workforce Capacity and Resilience
- Engagement with Children
- Children Affected by Domestic Abuse

Early analysis indicates that the assessment did not directly identify any areas for significant work across partners or on a multi-agency basis. Where agencies judged themselves as not meeting the standard for being 'fully effective' against an area of assessment, additional information was required to indicate how they plan to achieve full effectiveness and by when. All agencies were asked for their plans for how they would improve effectiveness. Returns will be fully analysed and presented to the SCPs at the start of the 2023/24 business year.



Audits

A multi-agency audit focusing on Electively Home Educated (EHE) children was undertaken during 2022/23. This group of children appears to have increased post pandemic and, given learning from national high-profile cases, a Leicestershire Local Child Safeguarding Practice Review and a Leicester Serious Case Review, it was agreed that an audit to consider visibility of children in this cohort would be valuable.

The audit considered how well information is being shared across agencies and whether there are missed opportunities to support children in this cohort. 20 cases each were considered for Leicestershire and Leicester and 10 cases for Rutland. The scope of the audit was one calendar year from 1st January 2021 to 31st December 2021.

Findings suggested a number of areas of development including:

- Gaining an understanding of current information sharing practice within and across agencies across Leicester, Leicestershire and Rutland linked to Education, Health and Care (EHC)
- Developing improved and systematic information sharing to notify key agencies that a child has become Electively Home Educated, taking account of any information governance issues and current practice, including use of the Information Sharing Agreement (ISA) appropriately
- Reviewing how information is captured in the process of EHE starting, to include potential risk factors increasing a child's future vulnerability when children are referred to Inclusion teams
- Considering any awareness raising work that is required, including training, to support professional understanding of the impact on children of their EHE status
- Engagement work with parents to understand barriers to engagement with Education services including any method to establish links to Early Help offer or improve cooperation
- Considering how EHE children are offered the opportunity of seeing the School Nurse/11+ Teen Health Service routinely as part of a targeted support offer.

A task and finish group will be set up to complete the required work.

A deep-dive multi-agency audit, focusing on Pre-Birth Planning, was due to be completed before the end of 2022-23. This theme was agreed to support the Safeguarding Babies business priority and in light of recent learning from local Rapid Reviews. Whilst the audit itself was completed within the year, the multi-agency Audit Discussion Day, where analysis and key learning is identified, leading to recommendations and an audit report has yet to take place. Timescales have been affected by agency capacity, partly due to the increased programme of audit activity carried out this year (see below). This work will be completed early in the next year.

In addition to in-depth audits, a programme of 3-monthly dip-sample audits was set up to enable the Safeguarding Children Partnerships to frequently provide assurance and evidence current multi-agency working. The first dip-sample audit focused on repeat referrals, and the second is due to consider contacts with children experiencing mental ill health.

As requested by the Child Safeguarding Practice Review Panel, there was a Local Authority only audit, facilitated by the SCPs, to provide assurance that referrals are not deemed malicious without a full and thorough multi-agency assessment.

Other assurance work

'Keep in Touch' Assurance Meetings

The SCP holds a monthly 'Keep in Touch' assurance meeting with Leicester SCPB. The purpose of the meetings is to enable senior safeguarding leads to share intelligence and joint oversight of the ability of LLR multi-agency children's safeguarding services to maintain statutory functions in relation to safeguarding children, to share information and data and to provide a timely response to emerging safeguarding issues with partnership support. The meetings consider operational matters affecting safeguarding services, with a particular focus on workforce capacity and wellbeing. During the year the group has discussed the following areas of concern:

- Significant workforce capacity concerns across a number of agencies, regarding recruitment and retention of staff, but also a loss of experience through staff turnover and significant use of agency workers
- Changes in staffing may impact upon agencies trying to contact individual workers for information sharing.

In response to these concerns the SCP has supported open reflection and conversations regarding the impact of workforce gaps on services and how this is impacting safeguarding through the Keep in Touch meeting and at the main Partnership meetings. They have gained assurance that safeguarding continues to be prioritised across all agencies.

The SCP also asked the Independent Advisor to carry out an in-depth analysis of workforce capacity across the partnership. Independent scrutiny questions were sent out to individual agencies and the collated results were disseminated in October 2022. It was found that workforce capacity is affecting levels of support that can be provided, but safeguarding children is being prioritised across services and can be sustained. Lower risk cases may not be receiving as good a service as before and communication between organisations may be suffering. Also, a lack of access to early support appears to be impacting pressure on some acute services. All organisations reported that they are providing management oversight and availability to support staff and ensure appropriate prioritisation. Most organisations have plans in place to address staffing gaps in the short term, including innovative approaches to recruitment and providing ongoing support. All organisations reported they are communicating with partners to aid understanding. There are approaches in place to hear from children in many organisations and agencies are responding to this. Children are reporting room for improvement.

The SCP Planning & Delivery Group will continue to monitor workforce issues, via the Keep in Touch Meeting, with a particular focus on the effect on the lived experience for children and families, longer-term plans for workforce stability and considering innovations and solutions adopted elsewhere in the country.

An Operational Performance Group has been formed. It feeds into the LLR SCP Audit & Assurance Group, with a standing item on the agenda. Whilst the monthly Keep In Touch meetings are more operational to unpick practice issues and are more strategic, the Operational Performance Group meetings evaluate multi-agency working.

Information Sharing Agreement

The local Information Sharing Agreement of the Leicester, Leicestershire and Rutland Safeguarding Children Partnerships and Safeguarding Adults Boards was updated throughout 2022/23 and <u>re-published</u> in April 2023.

Internal Quality Assurance Processes

The Audit and Assurance Group (AAG) sought assurance from partner agencies around their internal quality assurance processes. The aim was to provide a picture of activity that agencies have completed over the previous twelve months, giving an overview of what the key successes have been, what are the areas for development and any key actions for the forthcoming year linked to the business plan priorities.

It was positive to note that agencies reported the dissemination of learning from reviews and audits internally through a number of different briefing methods. Additionally, examples were shared of learning workshops to support frontline practitioners to strengthen safeguarding practice.

The group recognised that, given the key role schools play in safeguarding, a stronger connection between the AAG and Education is required. Options are being explored to create links to quality assurance work focused on safeguarding taking place in local schools.

Paediatric Sexual Assault Referral Centre (PSARC)

We have improved engagement with the East Midlands Children and Young People's Sexual Assault Service (EMCYPSAS). It raised concerns with the LLR Safeguarding Children Partnerships to ensure that EMCYPSAS is included in strategy discussions for children and young people who have experienced sexual assault.

Between October 2022-January 2023, EMCYPSAS received 103 Leicester, Leicestershire and Rutland invites to strategy discussions which was a significant increase on previous engagement.

The impact of this work is enabling an increased number of children and young people who have experienced sexual assault to access the full range of sexual health screening, counselling and follow up, including psychosocial therapy, and contact with a Child Independent Sexual Violence Advisor (CHISVA).

The requirement to refer children and young people who have experienced sexual assault to the EMCYPSAS has been incorporated into LLR SCP procedures and, together with briefings for staff, this will support maintaining this improved response.



Multi-Agency Safeguarding Procedures

The partnership has ensured procedures are in place for multi-agency safeguarding in line with Working Together 2018 and has specifically revised the following procedures in response to learning from local and national reviews and assurance processes:

- Children and Young People go Missing from Home or Care
- · Children and Families Moving Across Local Authority Boundaries
- Bruising, Marks, or Injury of Concern in Pre-Mobile Babies and Non-Independently Mobile Children
- Multi-Agency Management of Medically Unexplained Symptoms, Perplexing Presentations and Fabricated or Induced Illness
- Child Exploitation, CSE and Assessment of Risk Outside the Home (Contextual Safeguarding)
- Bullying
- Children of Parents with Learning Disabilities
- · Children of Parents who Misuse Substances
- E-Safety: Children Exposed to Abuse through the Digital Media
- Gang Activity, Youth Violence and Criminal Exploitation Affecting Children
- Harmful Sexual Behaviour
- Safeguarding Children Vulnerable to Violent Extremism (PREVENT)
- Underage Sexual Activity
- · Agency Roles and Responsibilities
- · Allegations Against Persons who Work with Children
- Child Exploitation, CSE and Assessment of Risk Outside the Home (Contextual Safeguarding)
- Domestic Abuse
- Pre-Birth and Post Birth Planning
- Self-Harm and Suicidal Behaviour

The SCP procedures can be found online: https://llrscb.proceduresonline.com/index.htm

A full list of new chapters and amendments made can be found on the '<u>Amendments</u>' page of the Leicester, Leicestershire and Rutland Safeguarding Children Partnerships Procedures Manual.

If you want to sign up for alerts regarding SCP procedure updates, please click here.

Training

The SCP's training co-ordination and delivery function is shared with the Leicester Safeguarding Children Partnership Board to support consistent and effective partnership working.

We provided training resources and events in support of our priorities as well as other areas identified in a training needs assessment with partners, identifying other key areas including missing children and young carers.

We continued to use a more blended approach to learning, incorporating video resources and resource packs alongside online training sessions. We also returned to more face-to-face training following the pandemic.

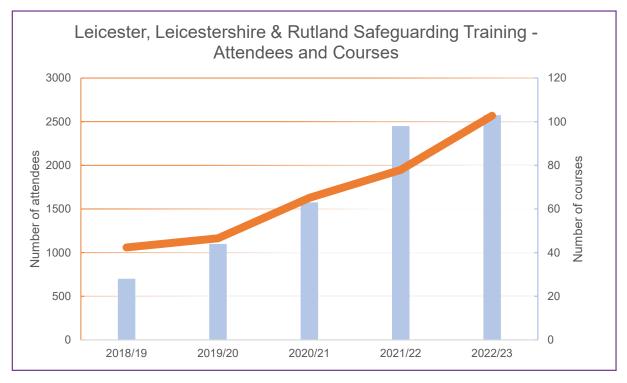
Resources

The <u>LLR SCPs' YouTube channel</u> continues to develop a bank of safeguarding videos that capture presentations from multi-agency training events and other resources that can be utilised by partners for learning and development – for example, in single agency training and supervision.

A regular Trainers' Network is facilitated, monthly email briefings are disseminated and regular <u>Safeguarding</u> <u>Matters newsletters</u> are published. As of this year, we have also introduced Safeguarding Matters Live (see below). During 2022-23, 167 additional people signed up to the Safeguarding Matters distribution list.

Training Delivery

Overall training was delivered to 2,569 individuals over 103 training events this year. The chart identifies a continued increase in numbers attending SCP training on previous years.

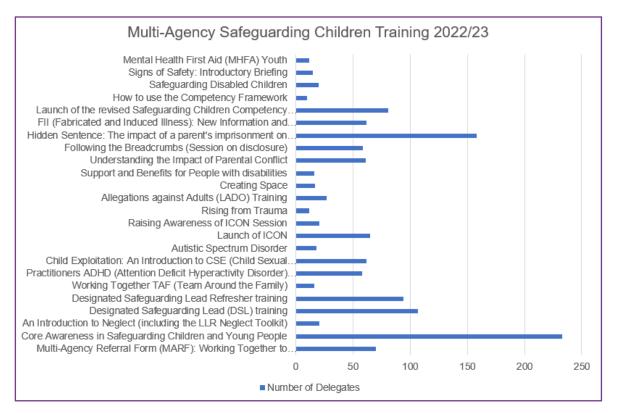


Alongside this increase, some training events did have to be cancelled in January/February 2023 due to low numbers and uptake. Overall, the cancellation rate is lower than in the previous year. Since re-establishing face-to-face training, it has been found that there is a better uptake of this training in comparison to virtual training. It is reported that cancelled places on training are often due to workload.

During 2022/23 a total of 1,315 delegates attended our regular multi-agency safeguarding children training. The generic safeguarding courses – for example, Core Safeguarding and Designated Safeguarding Lead training – often book up quickly, indicating both interest and need.

The LLR SCP Multi-Agency Learning & Development Group supported the content and delivery of a new project about the 'Impact of Imprisonment on the Family and Children'. This project had a launch event at City Hall in Leicester and a planned programme of training continues to be delivered. Six sessions have been delivered and there are others planned.

Following the review and relaunch of the Safeguarding Children Competency Framework (LLR), a session 'How to use the Competency Framework' has been developed, which had its first session in March 2023.





The delivery and support of two big conferences was not possible this year compared to last year, due to strikes and other sectoral balances. It was possible to support some larger events around policy and guidance change, such as 'Missing: Raising Awareness of the Missing from Home Joint Protocol', and the extension of the use of the Operation Encompass platform in the Autumn of 2022. Also, support was given to the 'Looked after Children (LAC) Health Summit 2022' and 'Young Carers' training as well as Leicester City and Leicestershire & Rutland 'Parental Conflict' Training.

In addition to our regular training, the following larger events and conferences were facilitated, with a further 1,254 delegates attending:

Conferences Facilitated by Multi-Agency Learning & Development Group During 2022/23

Contenences Facilitated by Multi-Agency Learning & Development Group During 2022/25			
Conferences	Number	Total attendees	
Missing from Home Joint Protocol	2	77	
Looked After Children Health Summit	1	45	
Supporting Families – Reducing the Impact of Parental Imprisonment	1	50	
Safeguarding Matters Online Briefing	2	789	
Learning from Reviews: Baby's first Home (womb)	1	108	
Learning from Reviews: Baby's first Home (womb) (film played as trainer unavailable)	1	95	
Young Carer's Awareness Training	2	90	
		1,254	

This year <u>Safeguarding Matters Live</u> was launched. These are live online briefings for all staff across the children and adults multi-agency partnerships. They share learning from reviews and audits, procedure and guidance updates, and resources to support practice. The June 2022 briefing was attended by 289 delegates with the December 2022 briefing attendance increasing to over 500 delegates. The slides from the events are made available via our website and sessions are available to watch on the Safeguarding Children Partnerships' YouTube Channel.

The Multi-Agency Learning & Development Group also supported the advertising and booking of the traumainformed training programme designed and delivered by Barnardo's and funded by the local Violence Reduction Network. In addition, the group supported Disability Allowance Training by the Department of Work and Pensions Team, as well as promoting the 'What is Adult Safeguarding?' sessions run by the local Safeguarding Adults Boards.

Training Impact

"Brilliant session – very informative and good group for interactions and discussions."

"The training was very informative, and I now have more knowledge about Neglect and how the neglect toolkit is used."

Feedback from delegates on Neglect training

737 delegates completed pre- and post-evaluation forms. Professionals are asked to rate their own knowledge, skills and confidence before and after the training sessions and to set themselves three key actions which they will put into practice. These key actions are considered during impact evaluations, which explore how knowledge has been used in day-to-day work. Additionally, 88 delegates filled in an evaluation form for the Learning from Reviews events and 336 evaluations were completed for Safeguarding Matters Live.

We want to improve our understanding of access to and impact of SCP training resources to enable us to focus on providing effective training and learning resources that support changes in practice. To do this we are in the process of commissioning a learning management system that will work with our continued blended approach. The learning management system was due to be implemented during 2022-23; it has been delayed to accommodate further exploration of the business model and effective implementation.

The reach of some of our training videos is set out below:

The number of times the training videos being fully watched by professionals:

Name of Category	Name of Video	Total seen by
ICON		560
	Full Launch Recording	165
	Never Ever Shake a Baby – Morning	127
	Never Ever Shake a Baby – Home from Work	95
	LLR – ICON Touchpoint 1	54
	LLR – ICON Touchpoint 2	119
Safeguarding Matters		559
	Safeguarding matters online recording December 2022	171
	Safeguarding Children Updates	43
	Dr Alun Elias – FII	85
	Fire Safety Hoarding	35
	Nigel's Story	24
	Safer Sleeping for babies	9
	Myth of Invisible Men	42
	Safeguarding matters online recording June 2022	150
Competency Framework	Launch of Revised Safeguarding Children Competency Framework	382

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MARF – Thresholds		66
Parents Guide to CE Video / 2022-2023 hits		75
FII		200
	FII New Information and Procedure Change	98
	FII New Information and Procedure Training	17
	Dr Alun Elias – FII (Safeguarding Matters Live)	85
LCC Young Carers	LCC Young Carers	432
Adolescent Neglect 2022- 23 Hits		20
Learning From Reviews		62
	Babies' First Home Womb	21
	Babies' First Home Womb Edited	41
	Total Reach:	2356



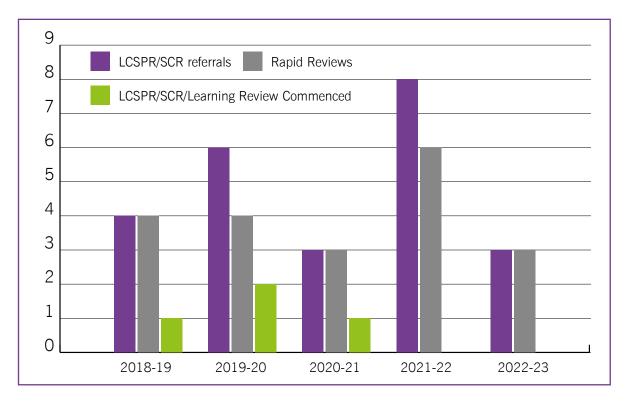
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Child Safeguarding Practice Reviews

Local Rapid Reviews and Local Child Safeguarding Practice Reviews

The partnership assesses Serious Safeguarding Incidents as defined by Working Together 2018 and decides whether a Local Child Safeguarding Practice Review (LCSPR), in order to identify how to improve safeguarding responses in future, is required.

The Partnership carried out three rapid reviews following a serious incident notification in the period of this report. One Rapid Review was carried out by a sub-regional SCP. As shown in the chart, this number is down from eight carried out in 2021-22 but more in line with the three completed in 2020-21. The Safeguarding partners will monitor numbers to identify any longer-term trends. The peak in 2020-21 could be linked to the Covid-19 pandemic.



The partnership was able to identify learning to improve safeguarding systems from all of the Rapid Reviews. The partnership identified no further learning was to be gained from further review of any of these cases and therefore no Local Child Safeguarding Practice Reviews were required. This view was supported by the Independent Advisor to the Partnership and by the National Child Safeguarding Practice Review Panel.

Two Local Child Safeguarding Practice Reviews, commenced in previous years, continued to be worked on in 2022-23. One was published in August 2022. It was published on both the SCP website, where it will remain for one year, and on the NSPCC national review repository. The other Local Child Safeguarding Practice Review is due to be published later in 2023.

These Local Child Safeguarding Practice Reviews have taken longer than the statutory six months to complete for the following reasons:

- Commencing reviews was delayed by finding availability for meetings across partners, agreeing an
 approach regarding the reviewer and commissioning a reviewer.
- The reviewer identified the need to speak to professionals who worked directly with the children and their families to fully understand the case and learning, which has been delayed awaiting decisions regarding prosecution.
- Criminal processes have also delayed speaking to families.

Of the five children considered as both subjects of Rapid Reviews and LCSPRs under way during 2022/23:

- Four (80%) were female and one (20%) male.
- Three (60%) were of White British ethnicity and two (40%) of mixed heritage.
- Three (60%) were babies, one (20%) was a child and one (20%) was a teenager.

In line with the national picture, children under 12 months of age continue to account for the majority of notifications, which links to our continued business priority around safeguarding babies.

The partnership has continued to develop approaches to improve quality and timeliness of rapid reviews. Local agencies worked well to continue to contribute to rapid reviews and the ongoing Local Child Safeguarding Practice Reviews whilst facing continued resource challenges.

In addition, the rapid reviews and Local Child Safeguarding Practice Reviews have identified good individual and multi-agency working by many organisations to prioritise, see and respond to children at risk of harm.

The reviews also identified the following key areas:

- Recognition and response to the vulnerability of babies, including unborn babies, via the pre-birth process
- Continued work with parents and consistent and persistent messaging around safer sleeping
- Increased professional curiosity around parental mental ill health, alcohol and substance misuse, particularly when the main source of information is self-reporting
- Increased awareness of the complex impact that ethnicity can have for both adults and children and how this is linked to engagement with services
- Improved confidence in recognising and responding to potential Perplexing Presentations and Fabricated and Induced Illness.

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In response to this learning from reviews the following action has been undertaken:

- The LLR SCP "Pre-Birth and Post Birth Planning" procedure has been further updated and strengthened.
- LLR Pre-Birth Guidance for Local Authorities is being produced. The multi-agency assessment document development will be influenced by the National Research in Practice work, which all three Local Authorities across LLR are part of. This group will conclude in July 2023. The "Developing prebirth assessment practice: Change Project 2023" will develop tools and guidance which can be used nationally and across LLR.
- Multi-Agency training sessions on "Baby's First Home" were delivered.
- 7-Minutes Briefings were published on "Safeguarding un/born babies" and Safer Sleeping.
- An LLR Safer Sleeping Risk Assessment Tool is being produced and is due to be launched in Autumn 2023.
- Joint work was completed with drug and alcohol services to strengthen a key leaflet on reducing the risk to children in households where there is parental substance misuse.
- The LLR SCP "Children of Parents who Misuse Substances" is being reviewed and updated, in consultation with drug and alcohol services.
- Learning from reviews is being fed into ongoing work around the Safeguarding children from diverse backgrounds business priority.
- The significant update to the "Multi-Agency Management of Medically Unexplained Symptoms, Perplexing Presentations and Fabricated or Induced Illness" procedure was promoted via multiagency training sessions.

Learning is shared with practitioners across organisations through multi-agency training, briefings and learning events, including to communicate updated guidance and changes in procedures. Also, the SCP communicates learning to the partnership workforce through the Safeguarding Partnerships' <u>Safeguarding Matters newsletter</u> and live events, the LLR Safeguarding Digest and through '<u>7-Minute Briefings</u>', which are designed to convey key messages from reviews and encourage managers and workers to reflect on their practice.

Action plans are in place to respond to and monitor areas of learning from reviews.

The partnership continues to develop its approach to rapid reviews and these have become a useful tool to identify learning swiftly and ensure action can be taken more quickly to respond to matters arising from serious safeguarding incidents.

National Reviews

The Child Safeguarding Practice Review Panel's "Child Protection in England: National review into the murders of Arthur Labinjo-Hughes and Star Hobson" was published in May 2022. It sets out recommendations and findings for national government and local safeguarding partners to protect children at risk of serious harm.

In September 2002, the Child Safeguarding Practice Review Panel published two Panel Briefings on "Bruising in non-mobile infants" and "Multi-Agency Safeguarding and Domestic Abuse".

In October 2022, the Phase 1 report of the Child Safeguarding Practice Review Panel's "Safeguarding children with disabilities and complex health needs in residential settings" was published. The Phase 2 report followed in April 2023.

The Safeguarding Partners considered each of these publications in turn and took action and received assurance where required, including:

- Local templates for Rapid Reviews and Local Child Safeguarding Practice Reviews have been updated to ensure that protected characteristics of each family member, along with details of the whole family are recorded, to ensure that families' diverse needs, experiences and wider family networks are identified and analysed appropriately.
- Independent scrutiny of workforce capacity across the partnership took place.
- Following the reviews into Star Hobson and Arthur Labinjo-Hughes's deaths, one of the identified learnings was that the agencies involved should have been more robust in their response to contacts and concerns raised by family members or anonymous sources. The SCP sought assurance from our Local Authority partners in response to a request issued by the National Panel:

'All Safeguarding Partners should assure themselves that referrals are not deemed malicious without a full and thorough multi-agency assessment, including talking with the referrer, and agreement with the appropriate manager'.

Each Local Authority locally completed an internal audit to assure itself and the SCP. They considered 15 contacts each, which were received via the 'front door' from source Anonymous/Family within the previous six months.

The Local Authorities reported the following:

- Generally, the dip sample evidenced a positive picture with partner agency information considered and appropriate action taken resulting in the right services for children and young people.
- Information and discussions were held with parents to gain further information where required and appropriate and in the majority of these cases children were also spoken to, with information sought from them regarding their day-to-day experiences.
- The audit has highlighted that there is a need to focus on strengthening manager rationale for case closure.
 - The local LLR Pre-Mobile baby procedure has been regularly reviewed over the last few years and was last updated in June 2022. The name of the procedure was changed at that point to "Bruising, Marks, or Injury of Concern in Pre-Mobile Babies and Non-Independently Mobile Children", as previously the word "bruising" did not feature. This improves searching for the procedure by practitioners.

- Assurance was provided that Rapid Reviews and Local Child Safeguarding Practice Reviews in Leicestershire & Rutland do involve local specialist domestic abuse services, where domestic abuse is present (either current or non-recent).
- The local SCP Domestic Abuse procedure was revised and relaunched.
- The Phase 1 report into children with learning disabilities identified two urgent actions which were sent to directors of children's services across the country with an expectation that they respond and bring the actions to SCPs. The first action was around undertaking Quality and Safety Reviews for all children with complex needs and disabilities currently living within placements with the same registrations to ensure they are in safe, quality placements. The second action asked for a review of all information on any LADO referrals, complaints and concerns over the last 3 years relating to the workforce in such establishments.
- The SCP received Leicestershire County Council and Rutland County Council's audits. These reports
 provided assurance to the partnership that no safeguarding concerns had been identified in respect of
 the children from Leicestershire and Rutland placed in qualifying dual residential special schools and
 children's homes or by the Local Authorities hosting the establishments over the past three years. The
 core learning related to young people in long term residential educational placements was shared with
 SEND boards in each Local Authority.
- The Dynamic Support Pathway was first launched across Leicester, Leicestershire and Rutland in December 2021. It is a pathway developed to provide support for individuals (all age) with a learning disability, autism or both who are deteriorating in their health and well-being whilst living in the community. Following the Child Safeguarding Practice Review Panel's publication, NHS England and NHS Improvement (NHSEI) published new guidance in November 2022 and this contained additional recommendations and new minimum standards. NHSEI published their final policy in January 2023 with an aim to launch the new pathway by May 2023. As a result of this, a full benchmarking exercise was delivered across LLR to identify areas of improvement/new processes required. A multi-agency Task and Finish Group was established to design new processes and documentation required. People with lived experience and representatives from Parent Carer Forums have been involved in developing this pathway from the start and will continue to be part of the team to monitor and review the processes going forward. LLR are now ready to launch the new pathway.
- Diverting Children and Young People with Learning Disabilities and Autism from the risk of Sexual and Criminal Exploitation

The ICB and Barnardo's launched a new initiative aimed to support early identification of children and young people with learning difficulties and autism who are referred to the Dynamic Support Register (DSR) and who may be at risk of being drawn into child sexual exploitation and child exploitation.

This work has included an Information Sharing Agreement and questions added to the Dynamic Support Register Multi-Agency Assessment Template that identify risk of child exploitation.

If response to the child exploitation questions raise significant concern, a Child Exploitation Risk Assessment is completed and a referral to Children's Social Care, as per the LLR SCP Procedures.

Where answers to the risk of exploitation questions raise concern that the child/young person's interests or social life may potentially expose the child/young person to a risk of exploitation, a Barnardo's Key Worker contacts the Vulnerability Hub and supports opportunities for diverting exposure to potentially harmful situations with the child/young person and parents and carers.

The final report of the Independent Inquiry into Child Sexual Abuse (IICSA) was published in October 2022. The national recommendations were discussed by the SCP and actions will be progressed by the Planning & Delivery Group.

How feedback from children and families has informed our work and influenced service provision

Since the Covid-19 pandemic, the SCP has struggled to maintain its Young People's Advisory Group (YPAG). The membership of this group is drawn from other youth groups, such as the Children in Care Council and Youth Council. Therefore, it is challenging to engage with young people who are already giving up their time for other forums.

Children and young people will be invited to sit on a specific interview panel for the role of Independent Chair for the SCPs.

The SCP does want to ensure it is having meaningful engagement with young people that makes a difference to the work of the partnership. Therefore, the focus is on drawing upon existing participation work within organisations across the partnership, to understand what young people are saying about safeguarding and how partners are hearing and responding to the voice and lived experience of children and young people. This will reduce duplication and consultation fatigue, and where the partnership requires specific participation work this will be carried out through working with existing participation groups.

This year it has been agreed that the LLR SCP Voluntary and Community Sector (VCS) Reference Group will join up with adults' organisations to form a VCS forum. This will broaden the scope of engagement, as many groups cross over between children's and adults' services.

An example of our partners using feedback from children and families to influence service provision is in the establishment of the Teen Health Service. There were consultation processes in 2021 in both Leicestershire and Rutland (as each has their own Teen Health Service). The feedback from these consultations was used to develop the service models, with the services being launched in 2022.

"She has supported us through our toughest challenges; sometimes advising, sometimes listening and sometimes just being present in the moment. She always followed through with what was best for the family and most of all gave us hope that things would eventually get better. She has made a real difference in our lives and today, with her tireless support and dedication, we got the outcome we wanted."

Family feedback about the support offered from a Leicestershire Children & Family Wellbeing Service Worker

"Understanding the impact this has had on all the children has made me more determined to get the help I need. I love them and want them to have a dad they can be proud of".

Feedback from a Father following work with the Leicestershire Domestic Abuse Team

In Rutland, consultations with schools, pupils, and parents highlighted what the priorities are for the people of Rutland and their aim is to tailor support services to reflect the current demands from young people. In Leicestershire, the consultation was shared on the County Council's website, promoted by email to schools, with local communities through social media including Twitter and Facebook. It consisted of a variety of questionnaires and surveys, determined by the demographics of the consultation groups, workshops with professionals, staff and Head teachers and one-to-one interviews with parents. The consultation was also shared with voluntary and community groups through the Council's Communities teams and with Leicestershire Equalities Challenge Group, chair of Leicestershire Parents SEND Hub and Leicestershire Adoption and Fostering Group. Feedback received from parents and carers, professionals working with children and families in Social Care, Education and Youth Justice was positive and contributed to the development of the service model. Service users were surveyed about their experience of the current service model and where improvements could be made. Engagement events were held with partners such as Health (NHS) i.e. Maternity services, University Hospital Leicestershire (UHL) services, Clinical Commissioning Group (now the ICB) and via partnership working groups, such as Perinatal Mental Health and Children's Design Groups, such as Children and Young People's Mental Health and Emotional Wellbeing Group. Additional consultation with schools and children and young people to ensure their views were included ran until 30th September 2021 to better understand how services could be accessed and to identify priorities. Focus groups were also held with County Council staff who had experience of maternity services.

"The worker tries really hard to ensure I get the things I need. The worker helps me think through my decisions and questions me about if I have got things sorted which is good as, without this, I would not have got a lot of things sorted that I have done."

Feedback from a Leicestershire young person

"I can't thank you enough [...] sometimes words get in the way of what I really want to say and leave me misunderstood but, from the bottom of my heart, for all the times you've been there and guided me through adopting a new life, all I can say is I couldn't have done this without you".

Feedback from a Rutland young person



Finance

The work of the SCP is supported by the Leicestershire & Rutland Safeguarding Partnership Business Office that also supports the Safeguarding Adults Boards and carries out Domestic Homicide Reviews for Community Safety Partnerships in Leicestershire & Rutland. The SCP is funded by contributions from its partners.

A single funding arrangement for the Safeguarding Children Partnerships and Safeguarding Adults Boards for 2020 onwards has been agreed between the statutory partners for the Safeguarding Adults Boards and the children's Safeguarding Partners for Leicester, Leicestershire & Rutland.

The contributions from partners for the Leicestershire & Rutland SCP and SAB as a whole for 2022/23 can be seen below alongside contributions for the previous year:

	2021/22	2022/23
Leicestershire County Council	£102,496	£119,266
Rutland County Council	£45,833	£50,367
Leicestershire Police	£88,725	£97,500
West Leicestershire CCG and East Leicestershire & Rutland CCG*	£88,724	£97,500
National Probation Services	£1,348	N/A
Total income for SCP and SAB	£327,126	£364,633

*Note – the contribution was made before the two Clinical Commissioning Groups became the Leicester, Leicestershire & Rutland Integrated Care Board (ICB)

Statutory partners agreed to reduce contributions for one year in 2021/22 with the difference to be funded from the SCP and SAB reserves.

Overall expenditure across the SCP and SAB for 2022/23 was £317,689. Expenditure for the SCP was apportioned as follows:

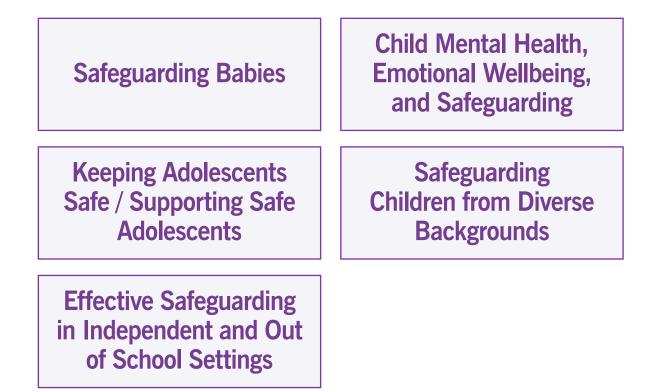
	2021/22	2022/23
Staffing	£105,579	£115,357
Independent Advisor	£7,914	£6,562
Support Services	£12,370	£1,090
Operating Costs	£6,700	£8,055
Training	£48,100	£48,550
Case Reviews	£5,254	£5,800
Total Expenditure	£185,917	£185,414

Expenditure overall was broadly in line with the previous year. Expenditure on support services has significantly decreased with only legal advice for the partnership now funded from this budget. The increase in expenditure on operating costs is linked to the development of new training resources, including video assets.

Priorities for 2023-25

Having reviewed learning from local and national reviews, and from local assurance and engagement work, as well as considering the impact of the 2022-23 priorities, the SCP has determined that its priorities should remain going forward. Therefore, the SCP will share the following forward priorities with the Leicester Safeguarding Children Partnership Board:

For each of these areas, we have set out our rationale for prioritising the topic, and presented the key deliverables, leads, activities, impact measures and timescales. This will enable us to monitor progress and secure assurance that our actions are making a positive difference to the lived experience of our children and families. The Joint Leicester, Leicestershire & Rutland Safeguarding Children Partnership Business Plan for 2023-25 is published on our website.



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CABINET – 15 SEPTEMBER 2023

EXCEPTION TO CONTRACT PROCEDURE RULES TO PROVIDE ADOPTION SUPPORT FUND - THERAPEUTIC SERVICES

REPORT OF THE DIRECTOR OF CHILDREN AND FAMILY SERVICES

<u>PART A</u>

Purpose of the Report

- 1. The purpose of this report is to seek the Cabinet's approval for an additional exception to the Council's Contract Procedure Rules to directly award contracts to therapeutic service suppliers to supply therapy to eligible adoptive and special guardianship order families under the Adoption Support Fund (ASF). The contract owner is the Service Manager for the Post Order Support Team.
- 2. In September 2022 an exception was approved by Cabinet to directly award contracts up to 30th June 2023 with an expenditure limit of £865,000 whilst a procurement process was undertaken to put in place a framework agreement for therapeutic services. This additional extension to the original exception is required due to a delay in the setting up of the framework as a result of a delay in developing and finalising the specification.

Recommendation

3. It is recommended that the Cabinet approves an additional exception to the Contract Procedure Rules to enable the Director of Children and Family Services to agree the direct award of contracts to therapeutic service suppliers referred to in paragraph 18 of the report for the provision of therapy to eligible adopted children up to no later than 30th November 2023 and with a maximum combined expenditure of £362,045 from 1st July 2023 to 30th November 2023.

Reasons for Recommendation

- 4. The County Council's Contract Procedure Rules (Part 4G of the Constitution) require that, where the estimated value of a contract exceeds £177,897, formal tenders must be invited. Based on the requirements for the provision of therapeutic services to eligible adopted children, the need for the Council to undertake a compliant procurement process has been identified.
- 5. The approval of an exception to the Contract Procedure Rules will enable service provision to be maintained to eligible adoptive children up until 30th November

2023 whilst the Council undertakes a compliant procurement process in order to establish a framework agreement for therapeutic services from 1st December 2023.

- 6. The exception agreed in September 2022 expired on 30th June 2023. Invoices containing the ASF cost code have since been placed on hold and have not been paid pending an extension to the exception. Currently there are approximately 45 invoices that are on hold.
- Work started on the therapeutic services framework procurement in November 2022 to have a framework in place by 1st July 2023. There were delays in the procurement process caused by delays in developing and finalising the specifications.
- 8. The framework tender was published on 31st July with a tender deadline of 11th September. The department will work with the commissioning support unit to ensure the tender evaluations, award and mobilisation processes are completed during September, October and November for the new framework to commence on 1st December 2023.

Timetable for Decisions (including Scrutiny)

 Subject to the Cabinet's approval, the necessary arrangements will be put in place as soon as is practicable. It is intended that a framework agreement for therapeutic services would be in place by 1st December 2023.

Policy Framework and Previous Decisions

- 10. The exception to the Contract Procedure Rules follows the Council's Constitution (Contract Procedure Rule 6 (b)(ii)).
- 11. The exception was previously discussed by Cabinet on 16th September 2022 <u>https://politics.leics.gov.uk/documents/s171205/ASF%20Therapeutic%20Service</u> <u>s%20Contract%20Exception.pdf</u>

Resource Implications

- 12. The Adoption Support Fund (ASF) requires a quotation from a supplier for each intervention. Each quotation will be within the ASF limit (£5,000 for therapeutic provision and £2,500 for specialist assessments). An exception is required due to the cumulative spend of ASF related contracts exceeding the threshold of £177,897.
- 13. The local authority or regional adoption agency that places a child with a family is responsible for assessing that family's support needs for three years after the adoption order is made. After three years, the responsibility lies with the local authority or regional adoption agency where the family lives if they have moved.

- 14. Eligible families apply to Children and Family Services to receive therapeutic support. The Department will then:
 - assess the family and consider if therapeutic support is needed,
 - decide on the type of support required and if it is eligible for payments from the ASF,
 - apply directly to the ASF for the funding,
 - purchase the support from therapeutic suppliers when the ASF has approved the funding.
- 15. A procurement exercise is in progress to put in place a therapeutic services framework agreement by 1st December 2023.
- 16. The Director of Corporate Resources and the Director of Law and Governance have been consulted on the content of this report.

Circulation under the Local Issues Alert Procedure

17. None.

Officer to Contact

Jane Moore Director Children and Family Services Email address: Jane.Moore@leics.gov.uk Telephone: 0116 305 2649.

PART B

Background

- 18. The ASF was established by the Department for Education (DfE) in 2015 to support the therapeutic provisions needed by children who are adopted or under special guardianship orders, subject to eligibility criteria. These criteria are very specific, and the providers have to be qualified therapists in their field and fully regulated.
- 19. The terms of the ASF funding, set out by the DfE, state that 'local authorities will purchase the support from their own list of approved suppliers when the ASF approves funding'.

Development of a Framework Agreement

- 20. In September 2022 an exception was approved by the Cabinet up to 30th June 2023 at a maximum value of £865,000 to allow time for a procurement process to be undertaken to put in place a framework agreement for therapeutic services to start 1st July 2023.
- 21. An extension to the exception for the Contract Procedure Rules is requested to allow time for the procurement process to be completed to put in place a framework agreement for therapeutic services by the 1st December 2023.
- 22. An extension to the exception is required due to a delay in the setting up of the framework as a result of a delay in developing and finalising the specification.
- 23. The framework tender was published on 31st July with a tender deadline of 11th September. The department will work with the commissioning support unit to ensure the tender evaluations, award and mobilisation processes are completed during September, October and November for the new framework to commence on 1st December 2023.
- 24. At present, there are approximately 27 suppliers that the Council works with for the provision of therapeutic services. It is envisaged that the Council's procurement exercise will result in a similar number of providers being appointed under a framework agreement. As part of the procurement process, it will be necessary to ensure that the opportunity is appropriately advertised, appropriate checks are carried out on the suppliers and appropriate contracts are put in place.
- 25. There are two ways in which therapists are currently chosen,
 - i. adopter-led choice either the family transfer from another local authority with an existing therapist, or the adopter has a preferred therapist;
 - ii. the Council supports families to identify a therapist the Council commissions the therapist on behalf of the families.

- 26. There are occasions when the child or family has already built up a therapeutic relationship which the Council would wish to see maintained. On occasions a particular therapy has been recommended, or location to the child and availability is a key factor. The Council shares its list of therapists with its Family Adoption Links Regional Partners so that it is aware of all the approved therapists in Leicestershire and surrounding areas.
- 27. Time was needed to consider how these options will be managed through a framework agreement.

Equality Implications

28. This service is provided to children and young people who have a protected characteristic within the meaning of the Equality Act 2010 by reason of their age. It may be that other protected characteristics are also engaged within the cohort. The provision of this service will assist the Council in meeting its Public Sector Equality Duty to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.

Human Rights Implications

29. There are no human rights implications arising from the recommendations in this report.

Background Papers

None.

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Agenda Item 19

By virtue of paragraph(s) 3, 10 of Part 1 of Schedule 12A of the Local Government Act 1972.

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