



*Meeting:* **Scrutiny Commission**

*Date/Time:* **Monday, 10 June 2024 at 10.00 am**

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

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

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

### **Membership**

Mr. M. T. Mullaney CC (Chairman)

Mr. T. Barkley CC	Mrs. A. J. Hack CC
Mr. M. Frisby CC	Mr. J. Morgan CC
Mrs. H. J. Fryer CC	Mrs. R. Page CC
Mr. S. J. Galton CC	Mr J. Poland CC
Mr. T. Gillard CC	Mr. T. J. Richardson CC

### **AGENDA**

#### **Item**

#### **Report by**

1. Appointment of Chairman

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

2. Appointment of Vice Chairman

3. Minutes of the meeting held on 10 April 2024

(Pages 5 - 12)

4. Question Time.

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

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



<u>Item</u>	<u>Report by</u>	
7. Declarations of interest in respect of items on the agenda.		
8. Declarations of the Party Whip in accordance with Overview and Scrutiny Procedure Rule 16.		
9. Presentation of Petitions under Standing Order 35.		
10. Provisional Revenue and Capital Outturn 2023/24	Director of Corporate Resources	(Pages 13 - 58)
The Lead Member for Resources has been invited to attend for this item.		
11. Corporate Complaints and Compliments 2023/24	Director of Corporate Resources	(Pages 59 - 84)
12. Overview and Scrutiny Annual Report 2023-24		(Pages 85 - 108)
13. Dates of future meetings.		
The future dates for meetings of the Scrutiny Commission are:		
Wednesday, 4 September 2024		
Wednesday, 6 November 2024		
Monday, 27 January 2025		
Monday, 10 March 2025		
Monday, 9 June 2025		
Monday, 8 September 2025		
Monday, 10 November 2025		
14. Any other items which the Chairman has decided to take as urgent.		
15. Exclusion of the Press and Public		
The public are likely to be excluded during the following item of business in accordance with section 100(a) of the Local Government Act 1972:		
- East of Lutterworth Strategic Development Area.		

Item

Report by

- |     |  |  |                   |
|-----|--|--|-------------------|
| 16. | East of Lutterworth Strategic Development Area<br>(Exempt under Paragraphs 3 and 10 of Schedule 12A) | Director of Corporate Resources, Chief Executive | (Pages 109 - 154) |
|-----|--|--|-------------------|

The Scrutiny Commission is asked to consider and comment on the proposals set out in the exempt report attached and which is to be presented to the Cabinet on 21 June 2024 for consideration.

The Lead Member for Resources has been invited to attend for this item.

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Minutes of a meeting of the Scrutiny Commission held at County Hall, Glenfield on Wednesday, 10 April 2024.

PRESENT

Mr. M. T. Mullaney CC (in the Chair)

Mr. T. Barkley CC  
 Mr. M. Frisby CC  
 Mrs. H. J. Fryer CC  
 Mr. S. J. Galton CC  
 Mr. T. Gillard CC

Mrs. A. J. Hack CC  
 Mr. J. Morgan CC  
 Mrs. R. Page CC  
 Mr J. Poland CC  
 Mr. T. J. Richardson CC

**In Attendance**

Mr. L. Breckon CC (Lead Member for Resources)  
 Mr P. Bedford CC (Lead Member for Recovery and Transformation)

67. Minutes

The minutes of the meeting held on 13 March 2024 were taken as read, confirmed and signed.

68. Question Time.

The Chief Executive reported that no questions had been received under Standing Order 34.

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

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

70. Urgent Items

There were no urgent items for consideration.

71. 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.

All Members of the Commission who were also members of district councils declared an 'Other Registerable Interest' in agenda item 8 'Transition of Leicester and Leicestershire Enterprise Partnership (LLEP) Responsibilities to Upper Tier Local Authority control.

In response to questions raised, the Head of Law advised those members that had held roles on the previous LLEP Board (Mr Morgan CC and Mr Richardson CC) that they did

not need to declare an interest as the report sought members views from a County Council perspective only.

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

There were no declarations of the party whip.

73. Presentation of Petitions under Standing Order 35.

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

74. Transition of Leicester and Leicestershire Enterprise Partnership (LLEP) Responsibilities to Upper Tier Local Authority Control.

The Commission considered a report of the Chief Executive which advised of progress in transferring the responsibilities of the Leicester and Leicestershire Enterprise Partnership (LLEP), a strategic body which had existed since 2011 to drive forward the growth of the Leicester and Leicestershire economy, to the two upper tier local authorities (the County Council and Leicester City Council). A copy of the report marked 'Agenda Item 8' is filed with these minutes.

Arising from discussion, the following points were made:

- (i) It was questioned how the new arrangements would support partnership working, particularly with district councils that were responsible for economic development. A Member commented that other authorities had established an economic growth board which continued to involve all partners but had noted that this was not the planned approach for Leicester and Leicestershire. The Chief Executive reported that district councils along with all other stakeholders would continue to be fully involved, both through the new Business Board, yet to be established, and through involvement in a number of subgroups. They would also be involved in discussions regarding the proposed new economic strategy for the area. However, as the Government had transferred LLEP responsibilities and decision making to upper tier authorities, it was considered appropriate for the district councils' role to be advisory along with other key stakeholders. The Government clearly wished to do things differently and it was not therefore considered appropriate for the current LLEP Board arrangements to be recreated.
- (ii) A Member raised concern that the City Mayor and the Leader of the County Council would not be members of the proposed new Business Board but would ultimately be the decision makers. It was suggested that their attendance was critical to ensure they heard the full discussions that took place, the different views shared by each stakeholder, and the advice provided before making a decision. To receive a summary of this from a third party would not provide the nuisance of the discussions that could be important. The Chief Executive explained that it was intended that both would meet regularly with the Chair of the Business Board and that their regular attendance at the Business Board was being considered.

- (iii) The timeline for the establishment of the new Business Board was yet to be agreed but its first meeting was expected to be held in late June. Recruitment and Membership of the Board would likely follow a similar process as had been adopted to appoint LLEP Directors previously. Opportunities would be advertised widely. Key business bodies, like the Chamber of Commerce, would also be invited to nominate a representative to join the Board. Some Members suggested that as businesses would no longer have any decision making powers, their interest in the Board might be reduced.
- (iv) The present LLEP reserve balance of £10m would continue to be held by the City Council as the administering authority for the partnership. How this would be spent was yet to be determined but would be informed by the new economic strategy which the Government required the City and County Council to submit within 6 months of receipt of funding. It was noted, however, that priority activities already agreed would still be funded from the reserve.
- (v) It was expected that Government funding would continue for specific activities previously carried out by the LLEP, such as the Careers Hub and Growth Hub that would transfer to the County and City Councils. However, it had not yet been confirmed how much would be received. The three key functions of the LLEP that would be transferring were business representation, strategic economic planning and the delivery of government programmes. Where the Government asked it to deliver a specific programme on its behalf it was expected that this would come with funding to support this.
- (vi) Performance against agreed outcomes within the new economic strategy would in future be captured as part of the Council's overall annual performance report. This would be presented to the Scrutiny Commission for consideration in the normal way. The Commission might also wish to consider seeking an annual report on the activities delivered under the new arrangements similar to how it considers the activities of the Place Marketing Team which is also a joint partnership with the City Council. This could be done once arrangements had been finalised.
- (vii) It was confirmed that key decisions, for example to approve a new economic growth strategy, would need to be formally approved through the County and City Council's normal decision making processes which would include reporting to the Cabinet following consultation with Scrutiny as appropriate.
- (viii) The new arrangements had currently absorbed the LLEP sub structure and groups, such as the Investment Panel, and the continuation of these groups was yet to be considered. A Member suggested that member involvement through a similar Investment Panel that oversaw investments, and the performance of loans should continue.
- (ix) The County and City Council had inherited the LLEP communications approach and external support for this would continue over the next two months. Discussions were being held with the City Council to agree the approach for the future. It was recognised that the Board would be

supporting a large, diverse business community and its communications approach would therefore be critical.

- (x) In the event of a devolution deal being agreed, it was noted that these responsibilities and new arrangements would transfer to the Combined Authority. Members commented therefore that the current arrangements might only be temporary.
- (xi) A Member commented that as no planning powers would be transferred to the City and County Council, it would still be dependent on all planning and licensing applications going through district councils. However, as they would no longer be part of the Business Board except in an advisory capacity, it was suggested that this might hinder progress.
- (xii) To ensure consistency for businesses and how they were supported, operational economic development activity previously delivered through the LLEP continued with the bulk of the former LLEP officer team still in place, hosted at the City Council.

The Lead Member, Mr Bedford CC, commented that whilst the delay by the Government in announcing its planned approach had caused some frustration, overall a pragmatic approach had been adopted by partners who still had an appetite to be involved and build on what had already been achieved by the LLEP across Leicester and Leicestershire. He thanked the LLEP Directors and officers for their perseverance and support throughout the transition process.

#### RESOLVED:

That the update on the transfer of the responsibilities of the LLEP to the County and City Council be noted.

#### 75. Refresh of Leicestershire County Council Planning Obligations Policy.

The Commission considered a report of the Chief Executive on the proposed changes to the Leicestershire County Council Planning Obligations Policy which was last refreshed in 2019. A copy of the report marked 'Agenda Item 9' is filed with these minutes.

Arising from discussion, the following points were made:

- (i) Some Members questioned the benefit of travel packs at a time of reducing public transport and suggested that if access to buses or trains were not available, these were of little benefit to residents moving into new developments. Members noted that more flexibility on how these vouchers could be used was being considered. However, it was questioned if there was no access to trains or buses, what could be regarded as 'sustainable' transport, for example, could the voucher be used towards purchasing a bicycle. The Chief Executive undertook to liaise with colleagues in the Environment and Transport Department and to provide more clarity to Members after the meeting.
- (ii) It was suggested that officers should be permitted to revise the fees within the Policy without the need for further review the Policy itself to ensure these were kept up to date and reflective of the costs incurred by the



Council. Members noted that this would be the desired approach, but that new legislation was expected and therefore a further review of the Policy would be required, at which point this proposal could be addressed.

- (iii) A Member queried the change in approach regarding the provision of bus services for new developments. It was noted that currently developers had a choice and often opted to pay a contribution up front to the Council who would then commission the service when needed. This meant, however, that the Council did not benefit from the indexation that accrued between the time the payment was received and the point at which the service needed to be commissioned. The approach in future would therefore be for developers to commission the service and details regarding what service was to be provided would be detailed with the section 106 developer agreement. Members were reassured that developers could not amend the agreed service without approval by the County Council during the first five years and that the new approach would transfer the risk and cost to developers.
- (iv) A Member commented that the National Planning Policy Framework suggested that consideration should be given by Councils to the planting of trees along the highway. This often improved the appeal of new developments but the Council had so far been reluctant to adopt such trees given the future maintenance costs it incurred. It was noted that some authorities had an approved list of species that could be planted along a highway and the Chief Executive undertook to discuss this further with the Environment and Transport Department and provide an update to Members after the meeting.
- (v) Members noted that the Council would seek to take account of public health matters but that this would vary from site to site and development to development. The Council's planning team would liaise with the Public Health Department to consider what influence it could have in line with planning policy.
- (vi) Section 106 developer contributions could only be sought to mitigate the impacts of a development, not to regularise an existing issue. However, a Member argued that a development could exacerbate and significantly worsen an existing issue and that the Council should therefore seek funding to address that element. Members noted that a new approach was being trialled with Charnwood Borough Council to consider the cumulative effect of developments in the area and to identify in advance where improvements would be needed to support future funding requests. If successful, this would be rolled out to other areas.
- (vii) A Member commented that the consultation appeared to be very technical and that members of the public might not therefore engage and respond. It was noted that an easy-to-read guide would be provided when the consultation was launched but that some of the more technical sections could not be changed. These were, however, targeted to developers that would be specifically affected by the Policy. The Chief Executive undertook to provide a copy of the consultation to Commission members in advance of this being launched, if time permitted.

- (viii) A Member questioned what checks were made to determine whether or not a library stock levels met the statutory minimum stock requirements and if not, how the ability to seek developer contributions to support the purchase of more stock was communicated to community managed libraries. The Chief Executive undertook to liaise with the Communities and Wellbeing Service and to provide further clarification after the meeting.
- (ix) It was noted that the new Policy would be reference the Highway and Transport Design Guide. This would be amended to provide more detail once the Design Guide had also been updated.
- (x) The Council's Planning Obligations Team had gone through a period of improvement and new robust processes had now been put in place to monitor income received and timelines as agreed in section 106 agreement to ensure funding was collected in a timely manner throughout the lifecycle of a development. Members were pleased to note that work was also taking place with the Council's Business Intelligence Team to improve the data available to members within their division.

RESOLVED:

- (a) That the proposed changes to the Council's Planning Obligations Policy be noted and that the comments now made by the Commission be taken into account as part of the consultation and reported to the Cabinet as appropriate.
- (b) That the Chief Executive be requested to:
  - (i) to liaise with colleagues in the Environment and Transport Department regarding the use of Travel Packs and the Council's current approach to adopting trees planted within the highway, and to provide an update to Members of the Commission on both issues after the meeting;
  - (ii) to share with Commission Members a copy of the consultation documents before this was launched and made public if time permitted;
  - (iii) to liaise with the Communities and Wellbeing Service regarding checks made on library stock levels and where this was below the statutory minimum, what information was shared with community managed library regarding the ability to seek section 106 developer funding to purchase more stock, the Chief Executive to update Commission Members after the meeting.

76. Date of next meeting.

RESOLVED:

It was noted that the next meeting of the Commission would be held on Monday, 20<sup>th</sup> May 2024 at 10.00 am.

77. Exclusion of the press and public.

RESOLVED:

That under Section 100A of the Local Government Act 1972, the public be excluded for the remaining item of business on the grounds that it involved the likely disclosure of exempt information as defined in Paragraphs 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 outweighed the public interest in disclosing the information.

78. Corporate Ways of Working Programme Update

The Commission considered an exempt report of the Director of Corporate Resources, the purpose of which was to provide an update on the implementation and delivery of the Council's Ways of Working Programme, following a request made by the Commission at its meeting in November 2023. A copy of the report marked 'Agenda Item 13' is filed with these minutes.

The report was not for publication as it contained information relating to the financial or business affairs of a particular person (include the authority holding that information).

The Director responded to questions regarding the number and frequency with which staff worked from County Hall, monitoring staff productivity and absence levels, training provided for managers. It was noted that the focus of the Council on customer service had not changes as a result of hybrid working and all such issues, like performance, attendance, complaints, were monitored in the usual way and in particular by the Council's Employment Committee.

Members also commented on the increased use and cost of technology and the need to continue to prioritise security. In this regard, it was suggested that the programme should take account of elected members as well as officers.

RESOLVED:

- (a) That the update provided on progress in the delivery of the Ways of Working programme be noted;
- (b) That the Director be requested to:
  - (i) provide details of staff numbers affected by the Ways of Working Programme on a department by department basis, matched against the space now allocated at County Hall;
  - (ii) provide details of car parking charges accounted for within the lease agreements with tenants now occupying County Hall;
  - (iii) give consideration to how the programme, particularly access to technology, might also assist elected members for safety and security reasons.

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## **SCRUTINY COMMISSION – 10 JUNE 2024**

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

### **PROVISIONAL REVENUE AND CAPITAL OUTTURN 2023/24**

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

1. The purpose of this report is to set out the provisional revenue and capital outturn for 2023/24.

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

2. The County Council approved the 2023/24 to 2026/27 Medium Term Financial Strategy (MTFS) in February 2023. The key aim of the Strategy is to ensure that the Authority has appropriate resources in place to fund key service demands over the next few years. The Strategy includes the establishment of earmarked reserves and the allocation of ongoing revenue budget and capital resources for key priorities.
3. The 2023-27 capital programme was reviewed over the summer of 2023 and an updated programme was approved by the Cabinet on 15 September 2023.
4. The Cabinet on 24 May 2024 received a report setting out the provisional revenue and capital outturn for 2023/24. The Cabinet noted the outturn positions and prudential indicators and approved the transfers to earmarked reserves as set out in paragraphs 62 and 63 below.

#### **Overall Position**

##### **Revenue Outturn**

5. A summary of the revenue outturn for 2023/24, excluding schools grant, is set out below:

	£000
Updated budget	512,152
Provisional outturn	524,405
Net overspend	12,253
Less additional income	-12,253
Net Position	0

6. Overall the revenue budget shows a balanced position. Details of the variances on Departments and central items are included in the report and in Appendix A and Appendix B.
7. The General Fund Reserve stands at £21m as at 31<sup>st</sup> March 2024, which represents 3.7% of the 2024/25 revenue budget (excluding schools' delegated budgets), in line with the County Council's reserves policy and the MTFs approved in February 2024. It is planned to increase the General Fund to £24m by the end of 2027/28 to reflect increasing uncertainty and risks over the medium term and to avoid a reduction in the percentage of the net budget covered given the overall budget increase.

### Capital Outturn

8. A summary of the capital outturn for 2023/24, excluding schools devolved formula capital, is set out below:

	£000
Updated budget	139,305
Less provisional outturn	107,386
Net Variance	-31,919

9. Overall, there has been a net rephasing of expenditure of £31.9m compared with the updated budget. This funding will be carried forward to 2024/25 to fund schemes that were not completed in 2023/24.
10. Details of the variances and key projects delivered in 2023/24 are included in the report, and in Appendix D.

### **REVENUE BUDGET**

11. Appendix A shows the provisional outturn position for 2023/24. This compares the actual net expenditure incurred with the updated budget. The original budget has been updated for transfers between services and from central contingencies.
12. Appendix B gives details of significant variances by departmental revenue budgets for 2023/24.

### Children and Family Services – Schools Budget

13. There is a net overspend of £1.9m on the Dedicated Schools Grant (DSG). This comprises an overspend of £5.6m on the High Needs Block, offset by an underspend of £2.2m on the Early Years Block, and an underspend of £1.6m on the Schools block.
14. The High Needs Block shows an overspend of a net £5.6m in 2023/24 compared to the budgeted overspend of £13m. This represents a significantly overall reduced overspend position on the High Needs Block in comparison to previous in-year projections, and this is linked to the Transforming SEND in Leicestershire (TSIL) programme focusing

significantly on ensuring that all data within the Special Educational Needs and Disabilities (SEND) system is robust to enable effective management of the SEN system. This has focused upon both data on individual pupils and how that data translates into robust financial data through the introduction of effective financial processes. Resolving data quality and establishing more robust data transfer of pupil data from Special Educational Needs Assessment (SENA) to the finance system has identified an over provision of financial commitments. Some of this improvement is one-off as it relates to past accruals which are no longer required. An action plan is under development to address the identified issues.

15. Nationally, concern over the impact of SEND reform on High Needs expenditure, and the financial difficulties this exposes local authorities to, is growing. Whilst the Government's 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.
16. Leicestershire is actively engaged within the Department of Education's (DfE) Delivering Better Value (DBV) in SEND programme as a result of the DSG deficit. Leicestershire has received £1m in grant funding from the DfE to support the transformation of the SEND system. The TSIL programme has moved to an implementation and sustainability phase and improvements created during the design stage are being rolled out; this programme and the DBV programme are 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.
17. Without new interventions the High Needs block deficit is forecast to continue to increase over the MTFS period and is not financially sustainable, despite the improved position in 2023/24. 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 and target savings from the TSIL programme are £32m by 2028/29. At the end of 2023/24 the accumulated High Needs deficit was £41m.
18. The Early Years budget is showing an underspend of £2.2m. 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 £1.8m to allow for the Spring Term 2023 census. This includes a prior year adjustment of £0.6m relating to 2022/23. The hours paid to providers for 2023/24 are £0.9m more than the budget, reflecting estimated Spring 2024 payments to providers. There is also an underspend of £0.9m as part of the payback of previous years' Early Years deficits, and centrally managed budgets underspent by £0.4m. The updated deficit on this block as at 31 March 2024 was £3.1m. The plan is to clear this deficit over 4 years. The DfE will recalculate the 2023-24 Early Years DSG income in 2024-25, based on the Spring 2024 census data. This is estimated to be an increase in grant of £0.3m.

19. There is an underspend of £1.6m on the Schools Block from schools' growth, which will be retained for meeting the costs of commissioning school places in future years. As at 31 March 2024 the balance on the DSG reserve (excluding High Needs), stands at £9.2m consisting of £12.3m Schools Block from school's growth, for meeting the costs of commissioning school places in future years, less £3.1m accumulated deficit on the Early Years Block.

#### Children and Family Services – Local Authority Budget (Other)

20. The Local Authority budget is overspent by a net £11.9m (11.1%), mainly relating to overspends on the children's social care placements budget (£6.2m), unaccompanied asylum seeking children's budget (£3.7m), SEN service budget (£0.9m), education psychology service (£0.3m), disabled children services budget (£0.9m) offset by some of the outputs of departmental financial controls currently in place (£0.1m).
21. The outturn shows a reduced (£0.6m) overall overspend in comparison to the last departmental financial position reported. The primary reason for this is linked to outcome of the age assessments for the unaccompanied asylum seeking children's (UASC) cohort resulting in financial responsibility sitting with the Home Office, whereas previously, given the level of uncertainty, this had been assumed to be with the Council. Similarly, within the children's social care budget, the outcome of agreed funding contributions from partners was more positive and higher than previously projected. Combined with the added level of manager oversight and scrutiny of spend across services, supported by recently introduced and mandated corporate financial controls, this has positively contributed to a reduced overspend position versus that previously reported. However, the pressures in Children's social care remain significant and is a key focus of the Council's transformation programme.
22. The overspend position on the Children's Social Care Placement budget (£6.2m) is largely due to increased unit costs of placements. For example, 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 £5,800 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.
23. Market instability and provider choice is resulting in children with a range of complex needs being 'unattractive' to the market. Needs include violence, aggression as a result of experiencing trauma, and results in the use of high cost (£10,000+ per week per child) interim provisions until behaviour stabilises or another placement can be found. Other sufficiency issues impacting on 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. This is not helped with a low recruitment pipeline for mainstream



carers, nationally, which particularly impacts on availability of placements for older children and those with more complex needs.

24. As part of the direct 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 places. The Council has been successful in obtaining additional capital grant funding (match funded by the Council) to enable investment in a number of properties, creating provision for 20 plus placements over the lifetime of the current MTFs, of which two units are currently up and running with children placed, and several other units to become operational very soon.
25. The £3.7m overspend position in relation to the 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. More recently there have been more UASC coming through the hotel dispersal scheme where requests to accommodate people placed in Asylum Dispersal Hotels in Leicestershire are made. Whilst they have been deemed 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. The table below shows the increase in numbers of UASC over the last two years.

	UASC - In Care (under 18's)	Annual % Increase	UASC – Care Leaver (Over 18's)	Annual % Increase
March 22	60		69	
March 23	97	62%	112	62%
March 24	115	19%	170	52%

26. The increase in UASC under 18's represents an increase of 92% since March 2022 and continues the upward trend experienced in 2021/22, an increase due to the NTS becoming mandatory and two dispersal hotels opening in Leicestershire. The increase in UASC over 18's represents a 146% 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.
27. The SENA service budget is overspent by £0.9m in 2023/24. During the previous financial year increased service demand and complexity resulted in the need for additional service resources 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 (EHCP) writing and tribunal work has resulted in an overspend in this area. Meanwhile mediation costs remain high adding to the overall in-year budget pressure.

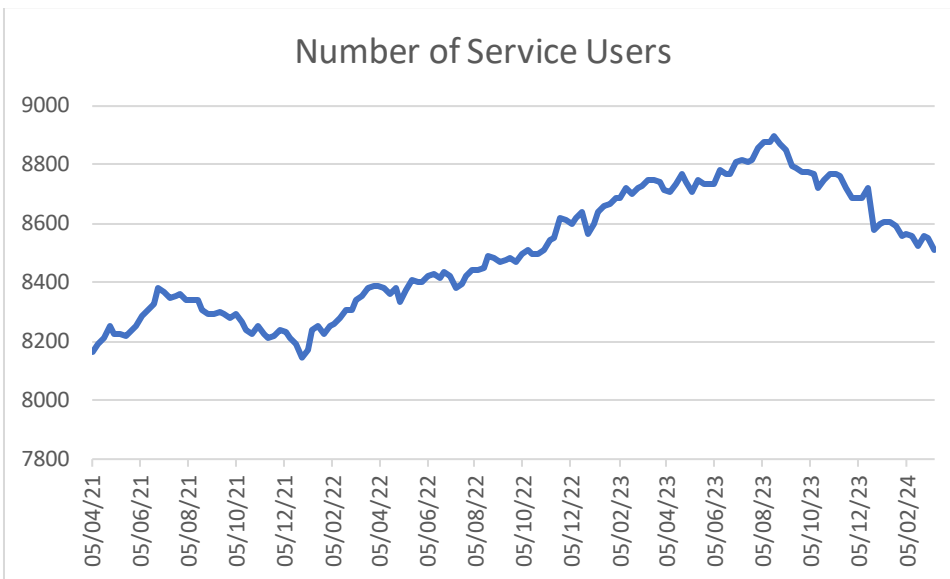
28. The Disabled Children Service is also reporting a overspend position of £0.9m due to increased demand, linked to respite support at home for children with acute challenging behaviour. This continues to present increased financial pressures where support is needed for children who are high needs and on the edge of care, but nonetheless would still be less costly than if the child entered care and subsequent placement provision needing to be sought.
29. As a direct response to the projected in-year overspends as described above the departmental management team has led a review of non statutory services, supported with the recent introduction of corporate led financial controls. Together with robust management and review of vacancies within the department this work has delivered one-off in-year efficiencies and budget opportunities (£0.1m). 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

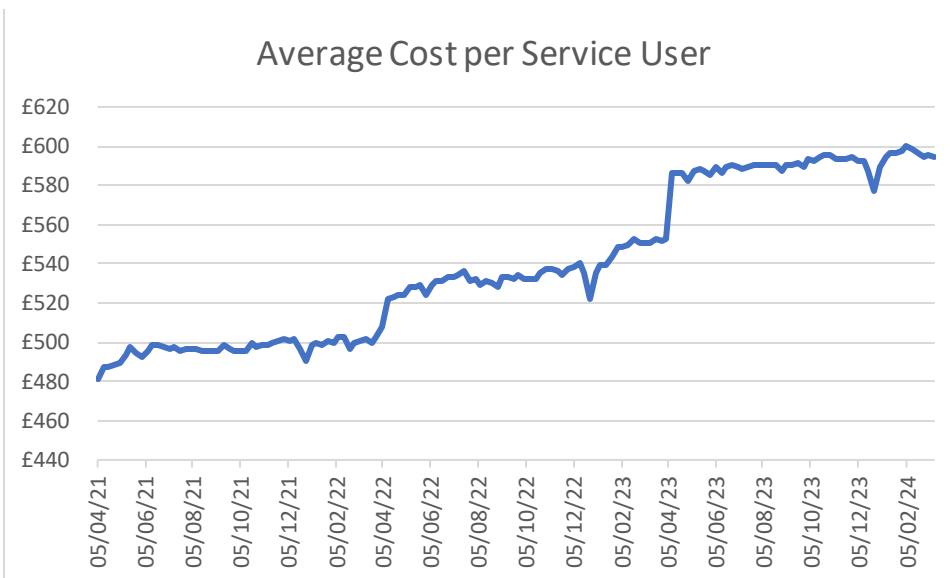
30. There is a net overspend for the departmental revenue budget for 2023/24 of £2.6m (1.2%). This is an improved position from earlier forecasts, which is due to a combination of factors, including extensive actions to reduce demand on the service, corporate spend controls and a reduction in service user numbers in the second half of the year.

### Overall Trends

31. The chart below shows overall number of service users being supported across Residential Care, Homecare, Supported Living, Cash Payments, and Community Life Choices from April 2021 through to March 2024. Typical growth would be approximately 1% to 1.5% per annum. However, current numbers of service users supported have now decreased to an annualised rate of 1.6% per annum from higher levels of 2.2% observed earlier in the year. The reduction in numbers that can be seen from October 2023 marks the beginning of corrective action being taken by the department via the Fair Outcomes Panel which started around September 2023.



32. The average cost per service user rose over the same time period. The steep rise from April 2023 relates to the annual fee review uplift.



33. Note 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.
34. The overspend has declined over the course of the year due to several factors:
- The Fair Outcomes Panel, which was established in September 2023, reviewed cases brought before it and sought cheaper and more effective ways to meet service user need.

- Concurrently the Homecare Assessment and Reablement Team service was more efficiently able to take more community homecare referrals from the Fair Outcomes Panel but also directly from the Care Pathway, which meant lower long term homecare packages were being commissioned. This in turn reduced the Homecare overspend.
- Service user numbers decreased within Direct Payments as more service users opted for a managed service as opposed to receiving a Direct Payment.
- Residential income increased as backdated financial assessments were being undertaken but also revised third party agreements were being returned following the fee uplift that took place in October 2023 resulting in additional backdated income. Non-Residential income increased due to backdated financial assessments being undertaken.

35. The main areas of variance are:

Homecare - £7.5m overspend

36. There has been an average of 2,660 service users for the year which is 5% higher than the budgeted number of 2,540. Current average package costs (or hours) are 5% higher than budgeted (excluding the fee uplift of 8.4%) at £328 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. There is Adult Social Care Discharge Grant of £1.0m and £0.1m other health funds offsetting this expenditure.

Supported Living - £5.5m overspend

37. There was an increase of 28 service users over the course of the financial year from 472 to 500. 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 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 have risen since April 2023 and currently stand at £1,570 per week per service user (+8%). There has also been an increase in community income to offset these additional costs. The department is looking into ways to reduce demand for new and existing one to one support within Supported Living via the review process. Also, initial work has started reviewing how specialist and complex care is procured.

Residential Care - £2.1m overspend

38. The 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 2,405 service users with an average weekly rate of £1,039.

39. The main driver of the increases is where the Council 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 946 in 2023/24. The value of LAAFs has increased from an average of £258 per service user per week in 2021/22 to £296 in 2023/24. The increase in LAAFs (both volume and value) is predominantly in the older adults area.
40. The position includes an increase in the residential banded rate and the implementation of a nursing rate in October 2023 of £2.1m funded through the Market Sustainability and Improvement Fund (part 1) grant.
41. This overspend is offset by additional service user income of £6.2m which is mainly due to backdated arrears from working through a backlog of financial assessments.
42. The department has also allocated the second tranche of the Market Sustainability and Improvement Fund (MSIF 2 - £3.7m) to fund this overspend and other areas, identified on a separate income line below.

Better Care Fund / Other NHS Income - £2.2m net loss of income

43. A total of £6m income was budgeted for from the NHS for additional costs relating to Covid-19 mainly due to hospital discharges. There is a £4.5m shortfall in this income for 2023/24. due to changes in the way hospital discharges are undertaken and funded. However, the overall position is offset by additional Better Care Fund income and new Discharge Grant of £2.4m.

Community Income - £5.4m additional income

44. The majority of the variance is due to health income from Supported Living service user packages which are generating an extra £3.7m. Of this, £2.0m relates to increased Supported Living packages, £0.7m due to increased funding for Direct Payments clients and £0.8m relates to home care packages, mostly due to temporary health condition funding continuing at late 2022/23 levels. Non-Residential service user income has overachieved the budget of £18.1m by £1.8m, due to increasing chargeable service users, as more service users are receiving a non-residential service such as homecare.

Other additional income £3.7m

45. There are allocations of the Market Sustainability and Improvement Fund (MSIF 2) - £3.7m which has been allocated to offset the current additional costs particularly in residential care, increased residential and nursing fees as part of the Market Sustainability Plan, supporting staffing and reducing waiting times for care.

### Direct Payments - £1.0m underspend

46. There is an underspend due to a reduction in service user numbers and additional funding from the MSIF (1) grant allocated to fund higher personal assistant rates, introduced in August 2023.
47. The net overspends above are offset by a net £4.7m underspend, mainly from staffing vacancies and other minor variations.
48. The department has established a wide-ranging demand management programme and the fair outcomes panel to review care packages. The panel has reviewed 4,250 care packages since September 2023 and has been successful in better managing service user's needs and avoiding significant increase in the cost of packages. A robust demand management plan will continue during 2024/25 which will focus on managing demand particularly for homecare. In particular to:
  - review all service users' packages that have commenced or changed since April 2023
  - work with NHS partners to help improve the discharge pathway including reviewing funding arrangements
  - ensure financial and funding assessments are undertaken
  - review internal processes.

### Public Health

49. The Department is forecasting an underspend of £0.8m, mainly due to staffing vacancies and contract underspends. The underspend will be transferred to the Public Health earmarked reserve.

### Environment and Transport

50. A net underspend of £2.3m (2.5%) is reported.
51. Across Highways and Transport Operations a net £1.9m overspend is reported as a result of:
  - Mainstream School Transport - £1.3m overspend. Increase in overall number of students entitled to mainstream transport and rise in the number of routes, increase in bus operational costs resulting in higher contract costs and limited bus capacity leading to a larger number of pupils being transported by taxi. To mitigate costs a review is in progress to reduce the number of solo taxi contracts. A retendering process will then be undertaken during summer 2024 which should achieve savings in the new financial year.
  - Social Care Transport / Passenger Fleet - net overspend £1.1m. 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 inability to recruit drivers and escorts.

- SEN Transport – £0.7m overspend. Continued growth in pupil numbers. To mitigate costs an SEN network review is in progress to maximise fleet usage and reduce solo taxi contracts.
  - Environmental and reactive maintenance works – £1.4m overspend. Increased highways maintenance costs required to meet policy requirements.
  - Staffing vacancies – net £0.4m underspend. On-going staffing vacancies caused by an inability to recruit to vacant posts across teams.
  - Additional fee income – net £2.2m underspend. Increase in issues of Temporary Traffic Regulation Orders and network licenses/permits.
52. There is a net underspend of £1.9m reported on Environment and Waste Management services. Reasons are additional income from the sale of dry recyclable materials and electrical items (£1.0m); together with underspends arising from delays in delivery of environmental policies and initiatives (£0.1m); and the net impact from the diversion of waste from Energy from Waste and Refused-derived fuel facilities into landfill to accommodate the disposal of Persistent Organic Pollutants by incineration (£0.5m). This diversion is generating less haulage costs as waste is going directly into landfill causing an underspend (£0.2m).
53. As part of the year-end process an additional £0.2m has been released from the bad debt provision.
54. The remaining balance relates to a £2.1m underspend on Development and Growth. Lower than budgeted reimbursement on concessionary travel net of overspends on Local Bus Service contracts following delays to savings implementation due to conditions attached to Bus Service Improvement Plan (BSIP+) funding allocation has caused a net £0.8m underspend. This is in addition to underspends arising from vacancies across teams (£0.8m), HS2 ending (£0.1m); reduced energy costs (£0.1m) and additional income from section 38 and section 278 (Highways Act 1980) and fees and charges relating to highway infrastructure (£0.5m). These underspends are offset by additional costs associated with consultancy support to improve governance arrangements relating to the capital programme.
55. Additional costs arising from the various flooding incidents across the County during the winter are expected to be incurred during 2024/25 and are anticipated to be in the region of £1m. A separate earmarked reserve has been established to fund these costs (paragraph 66 below refers).

#### Chief Executive's

56. The department is reporting a net underspend of £1.1m (7%). There are underspends due to staffing vacancies (£0.5m), increased Registrar's income (£0.3m), reduced running costs (£0.2m), additional income (£0.2m), and a net underspend on external legal costs (£0.1m), offset by additional costs of £0.2m relating to the Coroner's Service.

#### Corporate Resources

57. The department has an overall net underspend of £1.3m (4.0%).

58. There are underspends of £2.6m due to a combination of vacancies across several parts of the department, and reduced commissioning spend. This is largely because of the introduction of tighter corporate led financial controls, together with existing robust management and review of vacancies, delivering a number of in-year efficiencies, some of which are an early achievement of future MTFS savings.
59. However, there are continuing pressures on commercial services budgets, which has a £0.8m overspend, due to increases in the national living wage and general inflationary pressures. The overspend is after a one-off transfer of £2m from the MTFS Risks Contingency which 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

60. Growth contingency (£1m). The contingency has been released to offset the overspends due to increased spending pressures in departments.
61. Fair Cost of Care / Adult Social Care Reforms (£4.6m). £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.
62. MTFS Risks Contingency (£10m). £2m of the contingency has been released to provide temporary support to the Commercial Services budget. It is proposed that the remaining balance be used as a contribution to the Capital Financing reserves and this has been reflected in the outturn position at Appendix A. The future Capital Programme has a £93m funding gap. There are early indications that the North and East Melton Mowbray Distributor Road project may exceed current cost estimates, but risk assessments and contractor discussions are still ongoing to determine whether the current contingency will be sufficient. There are a number of other major capital projects still at an early stage and inflationary pressures continue to be a factor for the Council to manage. Weather related risks are also becoming an increasing issue to consider. Given that capital risks are increasing, using the available risks contingency towards future capital costs is an appropriate and prudent strategy.
63. Inflation Contingency (£41.8m original budget, £3.3m balance). The pay award for Local Government staff for the current year exceeded the amount assumed in the contingency by around £1.6m. However, there is an underspend on the provision made for running costs, leaving a net balance of £3.3m which it is proposed is used as a contribution to an earmarked reserve of £1m for flooding works given issues experienced this winter and a £2.3m contribution to the Transformation reserve, to provide funding to support the delivery of additional savings required to address the future MTFS funding gaps.



### Central Items

64. The Financing of Capital budget is underspent by £1.7m 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 longer 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.
65. Bank and other interest saw £7.7m increased investment income due to continued increases in the Bank of England base rate earlier in the financial year, and higher than estimated average Council balances. The base rate is 5.25% with markets forecasting that rates have now peaked and that they will start to reduce later in 2024. Average balances remain strong due to reserves, rephasing of expenditure on the capital programme and government grants paid in advance.
66. Central expenditure budgets are overspent by a net £0.5m due mainly to a contribution of £0.6m to the Pension Fund to top up the provision for ill-health retirements.
67. Other Items show a net overspend of £0.8m, due to technical pay adjustments, offset by prior year adjustments mainly relating to the refund of business rates and the cleansing of receipted aged purchase orders that are no longer required.
68. Additional business rates income (£12.3m), as set out below, is shown as being contributed to the Budget Equalisation Reserve, to be used to offset the anticipated gap of £33m in the MTFs projection in 2025/26. A net balance of £0.6m on the overall 2023/24 outturn is also shown as part of the transfer to the reserve. Whilst focused effort is being made by the Council to identify further savings and income generation opportunities, there are currently insufficient savings identified to meet the 2025/26 gap and so maintaining a sufficient level of reserves is crucial.

### Business Rates

69. Additional Business Rates income of £5.2m is shown, subject to information from districts. 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.
70. The latest projection of the Leicester and Leicestershire Business Rates Pool shows levies for 2023/24, based on quarter three forecasts, to be a total of £18.4m, of which one third (£6.1m) will be allocated to the County Council as 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 £0.4m relating to interest on earlier years' levies, giving an overall forecast of £6.7m.

71. The Government announced a redistribution of £100m from the national Levy and Safety Net fund, of which the County Council has received £0.5m.
72. The Government has also released details of revisions to 2023/24 Top Up and Tariff amounts, reflecting adjustments to provisional figures in the original 2023/24 Settlement. The County Council's Top Up has been reduced by £0.1m.
73. These changes net to £12.3m which will be transferred to the Budget Equalisation earmarked reserve as referred to above. The growth arising from the Pool will be spent on economic priorities in line with the pooling agreement. This is likely to be through investment in capital projects which support economic growth.

### **Overall Revenue Summary**

74. With focused effort and a tight control over cost pressures, the Council has achieved a balanced outturn position for 2023/24. There has been earlier delivery of savings in some areas, and innovative service delivery models developed, such as the partnership with Barnados and completion of additional SEND provision. The Council has also taken advantage of repaying debt when the opportunity has arose, achieving savings in interest costs through proactive action. There are also encouraging indications that the TSIL programme is having an impact on the High Needs Deficit with a much improved position compared to the original budget. The improved outturn position has enabled £1m to be set aside for flooding improvement works to be carried out over the next 12 months in response to the flooding incidents experienced across the County this winter.
75. Despite achieving a balanced budget for 2023/24, the underlying position remains very challenging, even after actions taken to reduce expenditure. There are significant overspends in the Children and Family Services and Adult and Communities departments and the 2023/24 £6m deficit on the High Needs Block (resulting in a £41m cumulative HNB deficit) is of particular concern.
76. Many of the underspends are due to staff vacancies which by their nature are not on-going, and the significant additional income from bank and other interest is likely to be short-term too. Tight control over spending and reducing running costs where possible through escalated financial controls has enabled the Council to produce a balanced outturn position, despite continued cost pressures across social care. Spend controls have contributed to savings in salaries, travel, training and stationery and a review is being undertaken to identify if any of these savings can be taken as permanent budget reductions.
77. The financial outlook for the County Council continues to be very difficult. Spending controls will need to remain in place and there will need to be a significant focus on identifying further savings across the Council.

### **General Fund and Earmarked Reserves**

78. The uncommitted General Fund balance as at 31 March 2024 stands at £21m which represents 3.7% of the 2024/25 revenue budget, in line with the County Council's

earmarked reserves policy. The MTFS includes further analysis of the County Council's earmarked reserves including the reasons for holding them.

79. The total level of earmarked reserves held as at 31 March 2024 total £223m including schools and partnership funding. They can be summarised as below:

Capital/Repairs	£136m
Risk	£79m
Revenue projects	£17m
Ring fenced grants etc	£21m
Schools DSG	-£32m
Partnerships	£2m
Total	£223m

80. Earmarked reserves are shown in more detail at Appendix C. This shows actual balances as at the end of March 2024 and a forecast balance as at the end of March 2025. The forecast shows that reserves are due to reduce significantly over the next 12 months as capital reserves are used to fund the programme during 2024/25 and ring-fenced grants are spent on the projects that they are intended for.
81. The risk-based reserves shown in the table above includes the Budget Equalisation reserve which is held to support the MTFS and provide some level of cover for future funding gaps in case adequate savings are not identified or delivered. Given that the budget gap in 2025/26 is expected to be in the region of £33m, as well as the future challenges on the High Needs deficit, it is important that this reserve is held at a reasonable level.
82. The main earmarked reserves are set out below.

### **Renewals of Vehicles and Equipment (£1.3m)**

83. Departments hold earmarked reserves for the future replacement of vehicles and equipment such as ICT.

### **Trading (£2.6m)**

84. Sinking fund set aside to fund repairs and maintenance of the Investing in Leicestershire Programme (IILP).

### **Insurance (£15.4m)**

85. Earmarked reserves of £10.3m are held to meet the estimated cost of future claims to enable the Council to meet excesses not covered by insurance policies and smooth fluctuations in claims between years. The levels are informed by advice from independent advisors.
86. The uninsured loss fund of £5.1m is required mainly to meet potential liabilities arising from Municipal Mutual Insurance (MMI) that is subject to a run-off of claims following

liquidation in 1992. The fund also covers the period before the Council purchased insurance cover and any other uninsured losses.

### **Children and Family Services**

87. Children and Family Services Developments (£2.1m). This provides funding for a number of projects such as improving management information, information access and retention and responding to changing requirements as a result of OfSTED and legislation. The fund also includes government grants with no conditions for repayment that have not yet been used by the end of March 2024.

### **Adults and Communities**

88. Adults and Communities Developments (£1.4m). This earmarked reserve is held to fund a number of investments in maintaining social care service levels and assisting the Department in achieving its transformation.

### **Public Health**

89. Public Health (£9.0m) – to fund Public Health initiatives within Leicestershire. The reserve includes various Government grants that have been carried forward to 2024/25 or where the grant conditions have already been met, and for the departmental underspend at year end as mentioned earlier in the report. The department has a detailed plan of public health initiatives, including those relating to Covid-19 for at risk groups.

### **Environment and Transport**

90. Commuted Sums (£2.4m). This funding, received from housing developers, is used to cover future revenue costs arising from developer schemes where the specifications are over and above standard developments. For example, block paving, bollards, or trees adjacent to the highway. These liabilities can arise many years after the funding is received and therefore the balance on this earmarked reserve has built up over time.

### **Corporate**

91. Transformation Fund (£8.9m). The fund is used to invest in transformation projects to identify and deliver efficiency savings and also to fund severance costs. To achieve the level of savings within the MTFs the Council will need to change significantly, and this will require major investment, including in some of the core 'building blocks' of transformation such as improvements to data quality, and improvements to digital services enabling more self-service.

92. Broadband (£3.9m). This earmarked reserve was established to allow the development of super-fast broadband within Leicestershire. There is a significant time lag in spending County Council funds as a result of securing grant funding from Government and the European Regional Development Fund (ERDF) that required those funds to be spent first and within a set period.

93. Budget Equalisation (£61.3m). This manages variations in funding across financial years. This includes the increasing pressures on the High Needs element of the DSG which is in deficit by £41.2m at the end of 2023/24. The Children and Family Services department is investigating a number of actions that could over the course of the MTFS reduce demand and therefore the overall deficit. As things stand, there could be a significant call on this reserve for 2025/26 if further savings are not identified and delivered in the short term.

## Capital

94. Capital Financing (£149.3m). This earmarked revenue reserve is used to hold MTFS revenue contributions required to fund the approved capital programme in future years. The increase at year-end is due to the overall level of rephasing of expenditure on the capital programme in 2023/24 and the £8m set aside for capital risks from the MTFS risks contingency mentioned earlier in the report. In addition, when financing actual capital expenditure incurred, capital funding is used first and this revenue reserve is used last (as revenue funding is less restricted than capital funding which can only be used to fund new capital expenditure). This reserve is fully committed to fund the 2024-28 MTFS capital programme and will be used before any of the planned £93m unsupported borrowing included in the 2024-28 programme is used.
95. Pooled Property Fund(s) (-£24.8m). The Cabinet previously approved the investment of £25m of the Council's earmarked reserves into pooled property funds. The investments are held to achieve higher returns than if the funds were invested as cash and return an annual contribution of approximately £1m. The investment is funded from the overall balance of earmarked reserves and can be realised in the future when required.

## Other / Partnerships Earmarked Reserves

96. DSG (overall deficit of £32m). DSG is ring-fenced and can only be applied to meet expenditure properly included in the Schools Budget, as defined in the School and Early Years Finance (England) Regulations. This reserve is earmarked to meet the revenue costs of commissioning places in new schools, early years and to support pressures on the High Needs block. A summary is shown below:

	<b>Schools Block</b>	<b>Early Years Block</b>	<b>High Needs Block</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
As at 31 March 2023	10.7	-5.3	-35.5	-30.1
Changes 2023/24	1.6	2.2	-5.7	-1.9
<b>As at 31 March 2024</b>	<b>12.3</b>	<b>-3.1</b>	<b>-41.2</b>	<b>-32.0</b>

97. Within the Schools block funding, future DSG allocations for schools' growth will be retained and added to the earmarked reserve to support the revenue costs of commissioning new schools. The deficit on the High Needs block will increase in the medium term until the savings arising from the High Needs Development Plan are delivered. In the short term the surplus on the Schools block will partially offset the high needs and early years deficits.

98. Health and Social Care Outcomes (£10.0m) used in conjunction with Health partners across Leicestershire. These reserve balances are higher than anticipated due to delays in projects such as extending the new Intake Model for Homecare Assessment and Reablement (£2.5m) which will commission appropriate services following a more focussed assessment period and the health digital project (£0.6m) with some projects still to be confirmed (£2.0m).
99. Active Together (£1.2m). The main purpose of this earmarked reserve is to hold partner contributions until expenditure on the agreed activities has been incurred. A significant part of the services' funding from external agencies is uncertain in nature, so the earmarked reserve also allows management of funding variations and a redundancy provision.

### **East Midlands Freeport (EMF)**

100. The Council acts as the accountable body for EMF. Freeports are designated areas where tax benefits exist to encourage investment and economic growth. The key funding stream for Freeports is retained business rates. In designated areas 100% of growth in business rate revenues is retained to allow these funds to be invested in the local area rather than a share needing to be returned to central government.
101. In advance of growth, and retained business rates being available, the Cabinet approved the provision of a cash flow loan to EMF up to a total of £4m to cover set up and operations. This loan is at commercial rates to avoid any conflict with subsidy control and ensure the County Council gets an appropriate return on investment. As the accountable body for EMF, the role includes providing support to the Freeport in delivering the objectives set by the Government.
102. As at the end of the 2023/24 financial year a total of £2.6m had been drawn down. Current forecasts are that there will be a surplus of retained business rates over costs in the 2024/25 financial year such that the balance on the cash flow loan at the end of 2024/25 will reduce to £1.9m. It is then anticipated that this remaining amount will be repaid in full during 2025/26.
103. The risk of eventual non-payment is considered to be low for the following reasons:
- Over £1bn of retained business rates is expected to be generated over 25 years;
  - This is likely to exceed £10m per year from 2027/28 and continue to rise;
  - Repayment of County Council funds is the first call on retained business rates after covering operational costs;
  - Rates are already being generated on one of the tax sites.
104. In addition, the use of retained business rates will be available to supplement developer funding, thereby mitigating adverse impacts of development.

## CAPITAL PROGRAMME

105. The updated capital programme for 2023/24 totals £139m. This follows a review of the programme undertaken over the summer and approved by the Cabinet in September 2023. A total of £107m has been invested during 2023/24.

106. A summary of the capital outturn for 2023/24, excluding schools devolved formula capital, is set out below:

Programme Area	Updated Budget £000	Actual Expenditure £000	Net Variance £000	%
Children and Family Services	41,417	33,915	(7,502)	82%
Adults and Communities	5,904	4,836	(1,068)	82%
Environment and Transport	85,002	65,901	(19,101)	77%
Chief Executive's	31	31	(0)	100%
Corporate Resources	4,651	1,838	(2,813)	39%
Corporate Programme	2,300	865	(1,435)	38%
<b>Total</b>	<b>139,305</b>	<b>107,386</b>	<b>(31,919)</b>	<b>77%</b>

107. A summary of the net variance is shown below:

Programme Area	Underspend £000	Overspend £000	Rephasing of expenditure £000	Accelera- tion £000	Total £000
Children and Family Servs.	(131)	131	(10,159)	2,657	(7,502)
Adults and Communities	(10)	0	(1,058)	0	(1,068)
Environment and Transport	(918)	918	(19,282)	181	(19,101)
Chief Executive's	0	0	0	0	0
Corporate Resources	(4)	4	(2,890)	77	(2,813)
Corporate Programme	0	0	(1,435)	0	(1,435)
<b>Total</b>	<b>(1,063)</b>	<b>1,053</b>	<b>(34,824)</b>	<b>2,915</b>	<b>(31,919)</b>
	<b>(10)</b>		<b>(31,909)</b>		

108. The net underspend has been added to the capital financing reserve to reduce the level of internal borrowing required for the new MTFS capital programme. The net rephasing of expenditure of £31.9m has been carried forward to the capital programme 2024-28 to fund delayed projects.

109. A summary of the key projects delivered and main variations are set out below. Further details of the main variations are provided in Appendix D.

110. Appendix E compares the provisional prudential indicators with those set and agreed by the Council at its budget meeting in February 2023. These are all within the limits set.

111. A review of the new 2024-28 MTFS capital programme will be undertaken during the summer 2024 in light of the outturn and financial pressures on large capital projects. An updated capital programme will be reported to the Cabinet in September 2024.

## **Children and Family Services**

### **Key Projects Delivered**

112. Creation of additional school places completing projects at fourteen different schools. A total of 602 new primary school places across six schools including Holycroft Primary School in Hinckley, the Council's first Carbon Neutral School. For secondary, 250 new school places across two schools were delivered. The SEND programme saw the completion of several schemes to support the growing needs for High Needs places in Leicestershire. This included the expansion of six SEND Schools which created an additional 123 SEND places.

### **Main Variances**

113. The Department is reporting net rephasing of expenditure of £7.5m.

114. The main variances relate to the Provision of School Places Programme (£4.6m):

- Shepshed Meshead School, £2.3m rephasing of expenditure. The Shepshed campus has multiple different education provisions that have some degree of interaction which affects the timing dependency of building works. Enabling works are now underway with commencement of the build on site expected in July 2024.
- Ibstock High School - rephasing of expenditure of £1.4m. This scheme supports housing growth in the area and transition to 11-16. The original estimates for the start of the project were slightly optimistic with the latest update now reporting construction starting in July 2024.
- Coalville Forest New Primary - rephasing of expenditure of £2.1m. The timing of the Council's contribution to this scheme is dependent on the contractor hitting trigger points and submitting claims. The site was affected by unprecedented weather over the winter and as such the Council's contribution will not be required until 2024/25.
- Burbage Hastings High School - acceleration of £0.5m. A project in the 2024-28 programme to create a new sports hall and addition classrooms. The budget had been prudently profiled in the MTFS – however, pre-construction works were able to start in 2023/24.
- Market Harborough New Primary School (Wellington Place Primary) - acceleration of £1.7m. The profiling of the budget for this scheme was undertaken prudently. The scheme is well underway, with completion expected by September 2024.

115. Other variations include rephasing of expenditure of £1.9m on the Children's SEND programme and £0.5m rephasing of expenditure on the Children's Social Care Improvement Programme (SCIP). Key variances are:



- £0.9m rephasing of expenditure relates to the new SEND school due to open at Shepshed in September 2024. This scheme encountered rephasing of expenditure due to delays in the DfE appointment of a contractor.
- £0.5m rephasing of expenditure on the Children's SCIP was due to lack of availability on properties on the housing market following rises in the Bank of England base rate during 2023.

## **Adults and Communities**

### **Key Projects Delivered**

116. Disabled Facilities Grant £4.8m passported to Leicestershire district councils to help people with the cost of adapting their homes to meet their essential needs.

### **Main Variances**

117. The Department has reported net rephasing of expenditure of £1.1m. The variance is on the SCIP programme relating to two extra care schemes where the land transactions have been delayed to 2024/25.

## **Environment and Transport**

### **Key Projects Delivered**

118. A total of £38.5m was spent on the preparation and delivery of major projects in 2023/24, including:

- North and East Melton Mowbray Distributor Road, £33.4m – The construction of the new distributor road to ease congestion in the town centre and facilitate growth is underway.
- A511 Major Road Network scheme, £1.7m in designing and preparing the full business case to the Department for Transport. Project to tackle longstanding congestion and traffic related problems on the A511 between Leicester (M1 Junction 22) and the A42 commenced 2019/20 with a completion on site anticipated in 2027.
- Advanced Design/ Match funding for major projects - £1.8m
- Leicester and Leicestershire Integrated Transport Model Refresh - £0.9m
- Zouch Bridge, £0.3m – the existing bridge is at the end of its life. The bridge forms part of the A6006 which is strategically important in terms of transport infrastructure and the regional economy. The procurement for a replacement commenced in 2023/24.

119. A total of £2.5m was spent on other schemes including:

- Vehicle replacement programme – £1.3m
- Externally funded schemes – £0.7m

120. A total £23.6m was invested in Highways Asset Maintenance:

- £17.6m on carriageways
- £2m on footways and rights of way
- £1.1m on bridge maintenance and strengthening
- £2m on street lighting maintenance
- £0.3m on flood alleviation
- £0.6m on traffic signal renewal

121. A total of £1.3m has been invested in Environment and Waste improvement works, including Recycling and Household Waste Sites (RHWS).

### **Main Variances**

122. The Department has reported net rephasing of expenditure of £19.1m. The main variances are:

- North and East Melton Mowbray Distributor Road, £9.3m rephasing of expenditure due to adverse weather conditions delaying works from progressing on the programme. The overall costs of the project may now exceed the original budget, leading to a call on the risk contingency. However, this is still being reviewed and mitigations being explored.
- Council Vehicle Replacement Programme, £2.2m rephasing of expenditure as orders have been committed however due to supplier issues this has delayed the delivery of the vehicles.
- Advanced Design, £1.3m rephasing of expenditure. Delays in transport modelling.
- A511/A50 Major Road Network, £0.9m rephasing of expenditure. The sealing of the CPO has been delayed due to design amendments.
- Highways Capital Maintenance - £0.7m rephasing of expenditure on design works for capital programmes and delays in securing environment agency permits.
- Zouch Bridge Replacement – Construction and enabling works, £0.7m. Procurement process underway with a start date expected later in 2024/25.
- Waste Transfer Station Development, £0.6m rephasing of expenditure. Due to ongoing discussions with contractor regarding snagging issues.
- Property Flood Risk Alleviation, £0.6m rephasing of expenditure forecast on schemes in Breedon, Swithland, Harborough and Diseworth. Resource impacts from Storm Henk and reprofiling with the Environment Agency are key reasons for this.
- Ashby Canal reed bed - Rephasing of expenditure of £0.5m due to delays in construction works on the programme. Work expected to progress and complete in 2024/25.

### **Chief Executive's**

#### **Key Projects Delivered**

123. During 2023/24, the final round of the SHIRE capital grant programme was delivered at a cost of £31,000. Through the SHIRE grants programme this financial year, capital grants were awarded to a total of nine not-for-profit community organisations, charities and

social enterprises within Leicestershire. These grants were used towards delivery of projects, activities and services to support the health and wellbeing of vulnerable and disadvantaged people and communities.

## **Corporate Resources**

### **Key Projects Delivered**

124. During 2023/24, £1.8m was invested, including the following programmes:

- ICT End User devices, £0.8m, updating Council-owned computers.
- Ways of Working programme, £0.2m, a programme to drive efficiency and promote productivity by promoting a culture of flexible, smarter working and office optimisation enabling rental income from partners.
- Property services, £0.4m, extending the life of council properties.
- Public sector decarbonisation scheme, £0.3m, a programme to reduce the carbon impact of County Council properties.

### **Main Variances**

125. The Department is forecasting net rephasing of expenditure of £2.8m. The main variances are:

- Workplace Strategy - End user device programme (PC, laptops), £0.6m rephasing of expenditure agreed to reprogramme funds over future years.
- Workplace Strategy – Office Infrastructure, £0.6m rephasing of expenditure due to requirements for departmental engagement and detailed design work pre-implementation.
- Climate Change (Energy Initiatives), £0.5m rephasing of expenditure. Heat decarbonisation plan will not be completed before March 2024 which will identify projects for 2024/25. Electric vehicle charging plans delayed to align with EV feasibility strategy completion.
- Workplace Strategy – Property Costs, £0.3m rephasing of expenditure as other unplanned work has created a delay to the original plan. This work was to be completed before any further lettings take place.
- ICT, £0.2m rephasing of expenditure to accommodate wider growth during 2024-28 MTFS period.
- Property Services - rephasing of expenditure of £0.5m across a number of smaller schemes, including works at County Hall and at various country parks.

## **Corporate**

### **Key Projects Delivered**

126. During 2023/24, £0.9m was invested into the direct property estate, including a £0.2m investment in Airfield Business Park, Market Harborough, £0.3m investment in Quorn Solar Farm as part of the Investing in Leicestershire Programme (ILLP) to generate

enhanced revenue returns, and £0.4m on improvements to industrial estates and county farms.

### **Main Variances**

127. The programme has reported net rephasing of expenditure of £1.4m on the Investing in Leicestershire Programme (IILP). The main variances are with the general improvement programmes for County Farms Estate, £0.2m and Industrial Properties Estate, £0.3m. There was also rephasing of expenditure of £0.5m as no new investment opportunities were identified in 2023/24.

### **Capital Receipts**

128. The requirement for general capital receipts for 2023/24 is £3.5m. The actual receipts were £6m due to earlier than planned disposals. The balance will be carried forward to 2024/25 to fund the 2024-28 capital programme – a surplus from 2023/24 was anticipated when compiling the 2024-28 capital programme.

### **Overall Capital Summary**

129. The Council has delivered a number of key capital projects during 2023/24, including new school places and early works on a number of transport projects. Managing and delivering major capital projects is complex and the spend on some projects has been rephased into future years to match completion timescales.

130. The Capital Programme in future years is challenging, with a funding gap in the MTFS, although further opportunities to generate capital receipts or secure external funding will be explored to reduce the gap and minimise any borrowing requirement.

### **Investing in Leicestershire Programme (IILP) – 2023/24 Monitoring**

131. The IILP is an integral part of the MTFS. Investments in property and other indirect holdings generate income that supports the Council's MTFS whilst contributing to the wider strategic objectives of the Council and the economic wellbeing of the area. The IILP Strategy is approved annually as part of the MTFS.

132. A summary of the IILP position for 2023/24 is set out below:

Asset Class	Opening Capital Value	Capital Incurred / (Returned) 2023/24	Net Income YTD	Budget Net Income FY	Actual net income return %
	£000	£000	£000	£000	%
Development	46,187	38	(136)	(136)	(0.3%)
Rural	24,212	(3,352)	191	452	0.8%
Direct Core Commercial Holdings	87,659	155	3,377	4,718	3.8%
<b>Total Direct Core and Non Core Holdings</b>	<b>158,058</b>	<b>(3,159)</b>	<b>3,432</b>	<b>5,034</b>	<b>2.2%</b>
Private Debt	28,708	495	1,720	1,055	5.9%
Pooled Property	22,470	0	924	759	4.1%
Pooled Infrastructure Fund	8,693	0	471	338	5.4%
Pooled Bank Risk Share	15,541	0	1,131	425	7.3%
<b>Total Indirect Holdings (Diversifiers)</b>	<b>75,412</b>	<b>495</b>	<b>4,246</b>	<b>2,577</b>	<b>5.6%</b>
<b>Total (All liLP)</b>	<b>233,470</b>	<b>(2,664)</b>	<b>7,679</b>	<b>7,611</b>	<b>3.3%</b>
<b>Total excl. development and rural</b>	<b>163,071</b>	<b>650</b>	<b>7,624</b>	<b>7,294</b>	<b>4.7%</b>

133. The budgeted net income for 2023/24 is £7.6m, split between direct and indirect (diversifiers) as in the table above. The outturn for the year was higher than the budget and it was decided to add the £1.2m out performance to accelerate the rebuild of the sinking fund which was depleted in 2022/23 in order to remediate a farm.
134. The diversifiers are indirect holdings with the purpose of reducing overall portfolio risk by investing in differing asset classes and geographies. Four separate types of investment are included, UK pooled property funds, a global infrastructure fund, three vintages of a pooled private (debt) credit strategy and a bank risk share strategy. The aim is to provide diversified income from a variety of differing sources. No new diversifiers were committed to in 2023/24 although the private debt fund has called capital totalling £5.6m through 2023/24. This was offset with maturing earlier vintage private debt investments of £5.1m. The diversifiers net income in the year totalled £4.2m which was higher than the budgeted £2.6m. This is due to more favourable terms being achieved from these investments and a higher amount invested in bank risk share compared to the original budget.
135. The valuations for the indirect holdings include four pooled property funds which in 2023/24 fell in aggregate by £1.7m (on top of the £5.5m in 2022/23). 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 marginally exceeded the £0.8m budget by £0.1m. These holdings are considered long term investments and some fluctuation in valuation is expected in shorter periods.
136. Private debt income has been ahead of the £1.1m budget due to timing of interest payments that were delayed in 2022/23.

137. Income from the bank risk share investment of £1.1m is higher than budget. The higher interest rate environment and lack of capital during 2023 allowed the manager to complete better than expected deals which would benefit investors.

138. It should be noted that the above table excludes end of year capital valuations for the direct portfolio which will impact the net income return percentage when that element is finalised. Capital valuations are assessed annually as part of the asset revaluation exercise and are reported in the annual ILLP performance report in September each year.

### **Equality Rights Implications**

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

### **Human Rights Implications**

140. There are no human rights implications arising from this report.

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

141. None.

### **Background Papers**

Report to the County Council on 22<sup>nd</sup> February 2023 - Medium Term Financial Strategy 2023-2027 - <https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=134&MId=6913&Ver=4>

Report to Cabinet 24<sup>th</sup> May – Provisional Revenue and Capital Outturn 2023/24 – <https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=7506&Ver=4>

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### **Appendices**

Appendix A - Comparison of 2023/24 Expenditure and the Updated Revenue Budget

Appendix B - Revenue Budget 2023/24 – main variances

Appendix C - Earmarked Reserve balances 31/3/24

Appendix D - Capital Programme 2023/24 – main variances

Appendix E - Prudential Indicators 2023/24



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**REVENUE BUDGET 2023/24 - OUTTURN STATEMENT**

	Updated Budget	Actual Expenditure	Difference from Updated Budget	
	£000	£000	£000	%
<b>Schools Budget</b>				
Schools	98,038	96,423	-1,615	-1.6
Early Years	39,283	37,105	-2,178	-5.5
DSG Funding	-137,321	-137,321	0	0.0
	0	-3,793	-3,793	
<i>Earmarked fund - start of year</i>			-5,374	
<i>Earmarked fund - end of year</i>			-9,167	
High Needs	103,482	109,136	5,654	5.5
Dedicated Schools Grant (DSG)	-103,482	-103,482	0	0.0
	0	5,654	5,654	
<i>Earmarked fund - start of year</i>			35,534	
<i>Earmarked fund - end of year</i>			41,188	
<b>LA Budget</b>				
Children & Family Services (Other)	106,652	118,511	11,859	11.1
Adults & Communities	210,190	212,764	2,574	1.2
Public Health *	-1,806	-1,806	0	0.0
Environment & Transport	101,592	99,272	-2,320	-2.3
Chief Executives	16,203	15,061	-1,142	-7.1
Corporate Resources	41,166	39,828	-1,338	-3.2
DSG (Central Dept. recharges)	-2,285	-2,285	0	0.0
Growth Contingency	1,000	0	-1,000	-100.0
Service Reduction Contingency	95	0	-95	-100.0
Fair Cost of Care / Adult Social Care Reforms	1,076	0	-1,076	-100.0
MTFS risks contingency	8,000	8,000	0	0.0
Contingency for Inflation	3,313	3,313	0	0.0
Total Services	485,196	492,658	7,462	1.5
<b>Central Items</b>				
Financing of Capital	19,500	17,811	-1,689	-8.7
Revenue funding of capital	7,020	7,020	0	0.0
Bank & other interest	-13,600	-21,283	-7,683	56.5
Central Expenditure	2,636	3,122	486	18.4
Other Items (including prior year adjustments)	0	798	798	n/a
Total Central Items	15,556	7,467	-8,088	-52.0
Contribution to budget equalisation earmarked reserve	10,400	23,280	12,880	123.8
Contribution to General Fund	1,000	1,000	0	0.0
<b>Total Spending</b>	<b>512,152</b>	<b>524,405</b>	<b>12,253</b>	<b>2.4</b>
<b>Funding</b>				
Revenue Support Grant (new burdens)	-27	-27	0	0.0
Business Rates - Top Up	-40,527	-40,385	143	-0.4
Business Rates Baseline / retained	-27,997	-29,733	-1,736	6.2
S31 Grants - Business Rates	-12,090	-15,550	-3,460	28.6
Allocation of Business Rates Pool Levies	0	-6,683	-6,683	n/a
Business Rates -allocation from national Levy surplus	0	-519	-519	n/a
Council Tax Precept	-374,208	-374,208	0	0.0
Council Tax Collection Funds - net surplus	-1,687	-1,687	0	0.0
New Homes Bonus Grant	-1,257	-1,257	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
Market Sustainability & Fair Cost of Care Fund	-5,653	-5,653	0	0.0
Services Grant	-2,504	-2,502	1	0.0
<b>Total Funding</b>	<b>-512,152</b>	<b>-524,405</b>	<b>-12,253</b>	<b>2.4</b>
<b>Net Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	

\* Public Health funded by Grant (£27.1m)

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**Revenue Budget 2023/24 – main variances****Children and Family Services**Dedicated Schools Grant

There is a net overspend of £1.9m. The main variances are:

	£000	% of Budget
<b>DSG High Needs Block (HNB) earmarked reserve drawdown</b>	<b>13,333</b>	<b>n/a</b>
The DSG budget in the original MTFS included an estimated HNB drawdown of £13.3m as the forecast in year overspend.		
<b>Secondary Education Inclusion Partnerships</b>	<b>805</b>	<b>34%</b>
Secondary Education Inclusion Partnerships are supporting a growing number of secondary students.		
<b>Specialist Teaching Service (STS)</b>	<b>204</b>	<b>8%</b>
The STS Service is a fully HNB funded service, with a fixed budget envelope, and does not receive inflation in response to pay awards. It also has a built-in annual savings target which is usually achieved through in-year vacancy savings. This year due to the significant, unfunded pay award, this target has not been met.		
<b>Special Educational Needs</b>	<b>-8,479</b>	<b>-8%</b>
<p>Whilst growth in Independent Specialist Provider (ISP) places continues, the rate of this is less than reflected in the original MTFS, in addition to a lower than anticipated need for higher cost Independent Special Schools Places and reduced occupancy of SEN Units than budgeted partially offset by an increased use of special school places.</p> <p>This represents a significantly better overall financial position on the High Needs Block in comparison to previous in-year projections, and this is linked to the TSIL programme focusing significantly on ensuring that all data within the SEND system is robust to enable effective management of the SEN system. This has focused upon both data on individual pupils and how that data translates into robust financial data through the introduction of effective financial processes. Resolving data quality and establishing more robust data transfer of pupil data from SENA to finance systems has identified an over provision of financial commitments and an action plan is under development to address the identified issues. However, as some of the improvement relates to historic adjustment, it may be one-off rather than ongoing savings. Overall there is still a £5m plus overspend position on the HNB block after taking into consideration other major variances, including the nominal HNB reserve drawdown.</p>		
<b>Early Years / Nursery Education Funding</b>	<b>-2,178</b>	<b>-6%</b>
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 £1.8m to allow for the Spring Term 2023 census. This includes a prior year adjustment of £0.6m relating to 2022/23. The hours paid to Providers for 2023-24 are £0.9m more than the budget, reflecting estimated Spring 2024 payments to providers. There is also a planned underspend of £0.9m as part of the payback of previous years' Early Years deficits, and centrally managed budgets are forecast to underspend by £0.4m. The deficit as at 31 March 2023 was £5.3m, so this £2.2m underspend will reduce this. The plan is to clear this deficit over 4 years. The Department for Education will recalculate the 2023-24 Early Years DSG income in 2024-25, based on the Spring 2024 census data. This is estimated to be an increase in grant of £0.3m.		
<b>Schools Growth / Budget Allocations</b>	<b>-1,399</b>	<b>-51%</b>
This funding has been earmarked to help meet the revenue costs associated with new schools. The underspend will be transferred to the DSG earmarked reserve to fund pupil growth in future years.		
<b>Transforming SEND &amp; Inclusion in Leicestershire (TSIL) Programme</b>	<b>-154</b>	<b>-16%</b>
Staff turnover in the TSIL Programme budget area has resulted in an underspend position.		
<b>Early Years SEN Inclusion</b>	<b>-127</b>	<b>-10%</b>
Staff turnover and vacancy management controls are the main contributing factors driving the underspend.		
<b>Other variances</b>	<b>-144</b>	<b>n/a</b>
<b>TOTAL</b>	<b>1,861</b>	<b>n/a</b>

Local Authority Budget

The Local authority budget has an overspend of £11.9m (11.1%). The main variances are:

	£000	% of Budget
<b>Children's Social Care Placements</b>	<b>6,196</b>	<b>12%</b>

The average unit cost have increased significantly vs budgeted unit cost. For example – currently average social care external residential cost is circa £5.8k per week (20% increase on budgeted unit cost). The combination of complexity of need results in the use of high cost (£10k+/week/child) interim provisions until behaviour stabilises or another placement can be found.

Other sufficiency issues impacting on budget position include:

- Lack of step-down from residential placements (10 children who have been waiting long periods for family-based placements), with continued searches and work with providers to try to identify homes
- Slow recruitment pipeline for mainstream carers, nationally. Particularly impacting on availability of placements for older children and those with more complex needs.

<b>Unaccompanied Asylum Seeking Children (UASC)</b>	<b>3,711</b>	<b>220%</b>
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The rapid increase in UASC in care and care leavers has required a greater resource requirement to meet their needs. The different entry routes include both the National Transfer scheme, as well as spontaneous arrivals, but more recently through the hotel dispersal scheme where requests to accommodate people placed in Asylum Dispersal Hotels in Leicestershire are made, and whilst they have been deemed adults by the Home Office, subsequently claim to be children, and creates an additional pressure for the service to manage which is not fully funded. In addition, delays in asylum claim processes mean that we are often accommodating young people well past 18 and the Home Office funding drops significantly at 18 but the costs do not.

<b>SEN Service Budget</b>	<b>895</b>	<b>47%</b>
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Increased service demand and complexity has resulted in need for additional service resource to ensure demand can be managed in the most efficient and effective manner. A heavy reliance on agency workers to undertake Education, Health and Care Plan (EHCP) writing and tribunal work has resulted in a significant overspend in this area. A second Service Manager post has been created to help deliver whole-system change within SEN. Meanwhile mediation costs remain high, adding to the overspend.

<b>CFS Disabled Children Service</b>	<b>878</b>	<b>22%</b>
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Increased demand for support at home for children with challenging behaviour which is more costly for some children with high needs and 'on the edge of care'.

<b>Educational Psychology Service</b>	<b>288</b>	<b>22%</b>
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Difficulties recruiting into vacancies in this area has resulted in an increased reliance on locums at a significantly higher cost. Increased demand due to an increase in the number of EHCP needs assessments has further impacted the overspend position

<b>Departmental Financial Controls / Vacancy Control Management</b>	<b>-122</b>	<b>n/a</b>
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As a direct response to the overspends as described above, CFS's departmental management team have led a review of non statutory services, supported with the recent introduction of corporate-led financial controls, and together with a robust management and review of vacancies within the department, with the output of this work delivering some one-off in year efficiencies, and budget opportunities, which included 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.

<b>Other variances</b>	<b>13</b>	<b>n/a</b>
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<b>TOTAL</b>	<b>11,859</b>	<b>n/a</b>
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### **Adults & Communities**

The Department has a net overspend of £2.6m (1.2%). The main variances are:

	<b>£000</b>	<b>% of Budget</b>
<b>Homecare</b>	<b>7,480</b>	<b>19%</b>

There has been an average of 2,660 service users (SU) over the year, 5% than the budgeted position of 2,540. Current average package costs (or hours) are also 5% higher than budgeted (excluding the fee uplift of 8.4%) at £328 per SU per week compared to the budgeted value of £313.

The increase is from:

a) the delaying of admission into residential care and increased provision within the service users own home. b) that lower numbers of service users are opting to take a Direct Cash Payment. The department has established a wide ranging demand management project and a Fairer Outcomes Panel to review care packages which has led to a reduction in spend on home care. The current weekly cost has reduced from £920k in early September to £820k by early March.

Other spend £273k relates to legacy COVID grants and subsequent returns submitted by providers relating to expenditure of the grant.

There is offsetting income reported elsewhere (Better Care Fund) of £1.0m from the ASC Discharge Grant and £100k other health income.

<b>Supported Living</b>	<b>5,496</b>	<b>16%</b>
<p>An increase of 28 service users over the course of the financial year from 472 to 500 (6% more than budgeted). Average placement costs have risen since April and currently stand at £1,570 per week per service user (+8% more than budgeted). The majority of the increase in service users are from those service users 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 TOM 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. There has been an increase in community income to offset these additional costs reported within the Community Income line. The Department is looking into ways to reduce demand for new and existing one to one support within Supported Living and how complex care is procured.</p>		
<b>Residential Care and Nursing</b>	<b>2,087</b>	<b>2%</b>
<p>The 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 led to an overspend. There are an average 2,405 service users with an average weekly rate of £1,039. The main driver of the increases are 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 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 LAAFs of £12.6m, and the 2021/22 cost of LAAFs of £10.0m. The 2023/24 cost is a 46% increase on the 2021/22 costs. This increase in the costs of LAAFs 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 having a LAAF in 2021/22 to 946 in 2023/24. The value of LAAFs has increased from an average of £258 per service user per week in 2021/22 to £296 in 2023/24. The increase in LAAFs (both volume and value) is predominantly in the older adults area. Other spend £365k relates to legacy COVID grants and subsequent returns submitted by providers relating to expenditure of the grant. This overspend is offset by additional service user income of £6.230m which is mainly due to new service users and backdated arrears from working through a backlog of financial assessments. The allocation of the latest tranche of Market Sustainability and Improvement Fund (MSIF) has also reduced this overspend by £3.0m (not included in above figure).</p>		
<b>Better Care Fund (Balance) / Other NHS Income</b>	<b>2,175</b>	<b>6%</b>
<p>A shortfall in Discharge to Assess (D2A) recharge income of £4.5m. Offset by additional BCF (£1.5m) and Discharge Grant income (£0.9m).</p>		
<b>Community Life Choices (CLC) Commissioned Services</b>	<b>936</b>	<b>13%</b>
<p>Overspend with the transition of service users from inhouse CLC services to the independent sector. This overspend should be viewed alongside the underspend within CLC/Day Services within Direct Services as internal bases are closed and staff action plans are conducted. A virement will take place for 2024/25 to increase this budget.</p>		
<b>Care Pathway - Mental Health and Safeguarding</b>	<b>757</b>	<b>10%</b>
<p>Overspend predominantly caused by the Liberty Protection Safeguards and the contracted out Best Interest Assessor and Paid Person Representative spend. A more sustainable funding position is required for this service, as reserve funding has been used for multiple years and growth is part of the MTFS 2024.</p>		
<b>Other Support</b>	<b>446</b>	<b>n/a</b>
<p>Other social care support includes £110k for kennel costs and £332k for floating support contract for mental health.</p>		
<b>Community Income</b>	<b>-5,387</b>	<b>-18%</b>
<p>Non-Residential Service User Income has overachieved the budget of £18.1m by £1.8m, due to increasing chargeable service users, as more service users are receiving a Non-Residential Service. Also the average chargeable amount per service user has increased as forecast. This was offset by an net increase to the allowance for doubtful debt provision by £100k. Income from health for community packages has increased by £3.7m. Supported Living packages are generating an extra £2.0m, £700k is due to increased funding for Direct Payments clients and £800k for home care packages is mostly due to temporary health condition funding continuing at late 22-23 levels. Offsetting this CLC health income is lower by £200k, this is mostly as a result of clients moving at the end of 2022-23 onto Personal Health Budgets when the LCC day centres closed.</p>		
<b>Market Sustainability and Improvement Fund (MSIF) - Tranche 2</b>	<b>-3,672</b>	<b>n/a</b>
<p>This is the MSIF second tranche for 23/24 that is being used to fund the overspend in Residential Care and other areas.</p>		
<b>Community Life Choices (CLC) / Day Services Team</b>	<b>-1,618</b>	<b>-88%</b>

Following the Cabinet decision to close CLC bases, there have been vacancies within the services, pending the implementation of staffing action plans. Service users have been transitioned to the independent sector demand led CLC budget. This is linked to an MTFs saving. Next year this underspend will cease.

<b>Home First</b>	<b>-1,334</b>	<b>-14%</b>
Difficulties in recruiting to posts and vacancies are the main causes of the underspend in both the HART and Home first teams £900k. MSIF Monies have been allocated for the 2 Week Review Team that is currently being recruited to increasing the underspend by £366k.		
<b>Direct Cash Payments</b>	<b>-1,036</b>	<b>-2%</b>
Underspend due to new increased PA rates that were introduced in August 2023 starting to increase slowly and offset by (£557K) MSIF Grant not budgeted for and reduction in clawbacks of unspent service user funds are the main causes of the underspend. There is also an underspend of £479k due to 12% reduction in service users (SU) and 11% increase in SU package price. Currently averaging at 1,852 SU with an average cost of £450 and Carers averaging at 1,161 SU with an average cost of £54. The reduction in SU is reflecting that more new SU are choosing to take a managed homecare service over a cash payment. The increase in SU package price most likely reflects the higher cost of homecare and supported living being commissioned that are also being reflected in the cash payments budget for those recipients. In addition, higher support may have been commissioned to compensate those service users that could no longer visit a buildings-based service for a community life choices service.		
<b>Department Senior Management</b>	<b>-639</b>	<b>-42%</b>
Underspend due to MSIF Monies have been allocated towards specific contracts and general costs, plus general underspend on expenditure.		
<b>Care Pathway - Heads of Service (IAP) &amp; Strategic Service Managers</b>	<b>-612</b>	<b>-153%</b>
Staffing budget underspend relating to posts that have been paused in preparation for £500k MTFs Saving relating to restructures in department.		
<b>Supported Living, Residential and Short Breaks Team</b>	<b>-602</b>	<b>-11%</b>
Underspend due to vacancies and also reduction in day services in co-located short break locations causing a reduction in staffing costs. Savings offset overspend in commissioned services and linked to an MTFs saving.		
<b>Business Support &amp; Strategy and Planning</b>	<b>-324</b>	<b>-16%</b>
Underspend from vacancies that are in the process of being recruited to.		
<b>Early Intervention &amp; Prevention -Extra Care</b>	<b>-314</b>	<b>-48%</b>
Underspend due to retendered contract having a lower cost element.		
<b>Care Pathway - Learning Disability and Autism</b>	<b>-264</b>	<b>-6%</b>
Underspend from vacancies that are in the process of being recruited to.		
<b>Care Pathway - Cognitive and Physical Disability</b>	<b>-263</b>	<b>-3%</b>
Underspend from vacancies that are in the process of being recruited to.		
<b>Care Pathway - Social Care Investment</b>	<b>-220</b>	<b>-33%</b>
Underspend due to reduced projects progressing therefore less costs for staffing and other expenditure.		
<b>Strategic Commissioning and Quality Support</b>	<b>-207</b>	<b>-11%</b>
Underspend from vacancies that are in the process of being recruited to.		
<b>Communities and Wellbeing</b>	<b>-199</b>	<b>-3%</b>
Underspend mainly due to vacancies and increased income.		
<b>Direct Services Review</b>	<b>-136</b>	<b>-90%</b>
Underspend from reduced repairs and maintenance costs.		
<b>Other variances (under £100k)</b>	<b>24</b>	<b>n/a</b>
<b>TOTAL</b>	<b>2,574</b>	<b>n/a</b>

### Public Health

The Department has a net underspend of £0.8m which will be transferred to earmarked reserves.

	<b>£000</b>	<b>% of Budget</b>
<b>Public Health earmarked reserve</b>	<b>781</b>	<b>n/a</b>
Net underspend on Public Health budgets to be offset by a contribution to the Public Health earmarked reserve. Uncertainties on future grants.		
<b>Programme Delivery</b>	<b>415</b>	<b>52%</b>

£550k of the variance is due to expenditure originally budgeted to be funded from reserves, -£71k underspend due to staff vacancies, -£38k underspend on the Making Every Contact Count (MECC) project, -£19k underspend on development costs, and -£44k net income from the Work Place Health Programme. The remainder of the variance is due to the additional costs of the pay award (+£37k).		
<b>First Contact Plus</b>	<b>121</b>	<b>35%</b>
+£32k of the variance is due to the additional costs of the pay award, +£224k due to Household Support Fund (HSF) expenditure not funded by the HSF grant, offset by underspend due to staff vacancies (-£135k).		
<b>NHS Health Check programme</b>	<b>103</b>	<b>26%</b>
Issues with payments last year and increased activity in each quarter has resulted in +£103k overspend.		
<b>Sexual Health</b>	<b>-942</b>	<b>-23%</b>
-£136k underspend on GP activity, -£392k underspend on device costs, -£40k underspend on Pharmacy activity. Reduced Integrated Care Board income as a result of reduced activity (+£31k). -£81k underspend on Pre-Exposure Prophylaxis, -£276k underspend on Out of Area claims, -£51k underspend on core contract, offset by minor overspend on running costs (+£3k).		
<b>Public Health Leadership</b>	<b>-288</b>	<b>2%</b>
-£78k of the variance is due to receipts in advance brought forward. -£398k is due to the net additional grant income, of which +£381k has been used to fund the pay award in the department (+£188k in PH Leadership and +£193k across the rest of the department).		
<b>0-19 Children's Public Health</b>	<b>-165</b>	<b>2%</b>
+£438k of the variance is due to expenditure originally budgeted to be funded from reserves, +£10k due to the additional costs of the pay award, offset by -£35k underspend on 0-10 contract and -£578k underspend on Teen Health.		
<b>Substance Misuse</b>	<b>-60</b>	<b>-1%</b>
-£44k underspend on Integrated Substance Misuse contract, -£14k underspend on Prevention & Recovery budget and -£2k additional income.		
<b>Other variances (under £50k)</b>	<b>35</b>	<b>n/a</b>
<b>TOTAL</b>	<b>0</b>	<b>n/a</b>

### Environment and Transport

The Department has a net underspend of £2.3m (2.3%). The main variances are:

	<b>£000</b>	<b>% of Budget</b>
<b>Social Care Transport</b>	<b>1,425</b>	<b>30%</b>
Continued rise in the number of commissioned journeys for Social Care Transport combined with increased operating costs. Closer working relationships developed with Social Workers to improve more efficient transport modelling.		
<b>Mainstream School Transport</b>	<b>1,325</b>	<b>34%</b>
Increase in overall number of students entitled to mainstream transport and rise in the number of routes, increase in bus operational costs resulting in higher contract costs, limited bus capacity leading to a larger number of pupils being transported by taxi. To mitigate costs a mainstream transport review is in progress to reduce the number of solo taxi contracts. A full retendering process will then be undertaken during summer 2024 which should achieve savings in the new financial year.		
<b>Landfill</b>	<b>1,232</b>	<b>34%</b>
Overspend arising from diversion of waste from treatment/EfW to landfill in order to conserve capacity for Persistent Organic Pollutants (POPs) waste treatment.		
<b>Reactive Maintenance</b>	<b>1,002</b>	<b>43%</b>
Overspend due to general maintenance and defect repairs, out of hours emergencies and non-illuminated sign maintenance which is partially offset by an underspend on road markings due to excessive wet weather affecting programme delivery and road stud programme unable to be undertaken due to road space allocation issues.		
<b>SEN Transport</b>	<b>674</b>	<b>3%</b>
Continued growth in pupil numbers. To mitigate costs, the SEN network continues to be reviewed to maximise fleet usage and reduce solo taxi contracts. The new transport management system (MTC) will assist with this in 2024/25.		
<b>Public Bus Services</b>	<b>572</b>	<b>24%</b>
Overspend due to higher than budgeted spend on local bus services following decision to delay implementation of the Passenger Transport Programme. This is offset by the underspend on concessionary travel.		
<b>Environmental Maintenance</b>	<b>363</b>	<b>7%</b>

Overspend consists of several overspends and underspends. There are overspends on Gully Emptying due to numerous recent flooding events, Camera Van due to higher incidence of drainage related works, Drainage Repairs due to greater number of investigation works following storms and Grass cutting to deliver a full width cut plus using external strimming as unable to recruit strimming operatives. These are partly offset by underspends in Forestry as unable to recruit tree surgeons to deliver the programme and Weeds as the second spray only part complete due to wet weather during the season.		
<b>Recycling and Household Waste</b>	<b>272</b>	<b>6%</b>
Increased haulage cost associated with transport of POP material from landfill to treatment (legislation implications) (£27k) plus increase in repairs and maintenance costs at RHWS sites (£132k) and net reduction in income following anticipated legislative changes with effect from January 2024 restricting charges at RHWS (£29k) offset by additional cost of market premium and retention payments (£153k) previously funded from reserves..		
<b>Civil Parking Enforcement</b>	<b>104</b>	<b>-189%</b>
Overspend includes £27k lower income than budget for Penalty Charge Notices (PCNs), £23k net lower income for Residents Parking Scheme, non draw of reserve funding for the camera car (£28k) and higher Notice Processing Unit costs (£24k).		
<b>Staffing, Admin &amp; Depot Overheads</b>	<b>-2,295</b>	<b>196%</b>
underspend due to additional Temporary Transport Regulation Orders (TTRO) and network licencing income, vacancies within the teams and less reactive events expenditure are partially offset by reduced fee income for structures and street lighting.		
<b>Treatment &amp; Contracts</b>	<b>-1,767</b>	<b>-11%</b>
Underspend due to a reduction in treatment/EfW as waste is diverted into landfill to preserve capacity for POPs incineration.		
<b>Concessionary Travel</b>	<b>-1,326</b>	<b>-32%</b>
Underspend due to reduced concessionary travel reimbursement levels during 2023/24.		
<b>Dry Recycling</b>	<b>-887</b>	<b>-35%</b>
Increased tonnage offset by better than expected market prices on sale of dry recycling materials.		
<b>Highways &amp; Transport Network - Staffing &amp; Admin</b>	<b>-702</b>	<b>-67%</b>
Underspends forecast due to additional s38 & 278 fees and vacancies across various teams.		
<b>Passenger Fleet</b>	<b>-342</b>	<b>-169%</b>
Underspend due to vacant driver and escort posts, which is partly offset by additional agency and overtime costs, plus additional vehicle hire and maintenance costs. Recruitment of drivers is currently very difficult.		
<b>Highways &amp; Transport - Staffing &amp; Admin</b>	<b>-239</b>	<b>-9%</b>
Underspend as a result of vacancies across various teams.		
<b>Departmental Costs</b>	<b>-220</b>	<b>-30%</b>
Release of credit loss allowance due to a reduction in required aged debtor during 2023/24 plus £35k one-off underspend on software license costs.		
<b>Haulage &amp; Waste Transfer</b>	<b>-209</b>	<b>-9%</b>
Reduction in haulage costs as a result of less waste going direct to landfill and a delay in procuring Hydrotreated Vegetable Oil (HVO) fuel supplier.		
<b>Staffing &amp; Admin Delivery</b>	<b>-156</b>	<b>-3%</b>
Underspend in relation to vacancies.		
<b>Initiatives</b>	<b>-142</b>	<b>-19%</b>
Underspend due to delays in implementation, spend controls and reduced take-up grant schemes and classes on waste initiatives.		
<b>Income</b>	<b>-130</b>	<b>8%</b>
Increase in tonnages resulting in increased income.		
<b>HS2</b>	<b>-123</b>	<b>-42%</b>
Underspend due to HS2 ceasing.		
<b>Traffic Management</b>	<b>-121</b>	<b>-73%</b>
Increase in fees received for TRO's and income from lining and signing from Members Highways Fund schemes and external customers plus reduction in internal LHO expenditure.		
<b>Waste Electrical and Electronic Equipment (WEEE) Funding</b>	<b>-118</b>	<b>190%</b>
Increased income from the sale of metal.		
<b>Development &amp; Growth</b>	<b>-62</b>	<b>-5%</b>
Underspend as a result of high level vacancies across various teams.		
<b>Other variances (under £100k)</b>	<b>-450</b>	<b>n/a</b>
<b>TOTAL</b>	<b>-2,320</b>	<b>n/a</b>

**Chief Executive's**



The Department has a net underspend of £1.1m (7.1%). The main variances are:

	£000	% of Budget
<b>Coroner's Service</b>	197	16%
£179k overspend due to UHL increased costs of post mortems and toxicology and +£17k to set up Coroner's Court at County Hall.		
<b>Departmental Items</b>	50	-60%
Departmental-wide saving for staffing vacancy held in this budget. Overspend here is offset by underspends elsewhere in the department.		
<b>Growth Service</b>	-303	-23%
-£248k underspend due to staffing vacancies, -£13k underspend on running costs and -£42k additional income.		
<b>Registrars</b>	-294	n/a
Wedding fee income was higher than budgeted.		
<b>Democratic Services and Administration</b>	-219	-14%
Underspend mainly due to staffing vacancies (-£106k), underspend on running costs (-£55k) and additional income (-£58k).		
<b>Legal Services</b>	-156	-3%
£284k net overspend on locum support offset by -£42k reduced running costs, -£72k additional income, +£29k transfer from reserve not required and -£354k underspend on demand-led budgets		
<b>Policy &amp; Communities</b>	-81	-4%
-£119k underspend on staffing, -£50k on running costs, offset by +£88k reduced income (of which +£78k are transfers from reserve not required).		
<b>Civic Affairs</b>	-72	-106%
Reduction in the number of Civic Events hosted (-£56k) and reduced transport/lease costs (-£16k).		
<b>Management and Admin</b>	-66	-10%
-£62k underspend due to staffing vacancies and -£4k underspend on running costs.		
<b>Freeport</b>	-54	n/a
The underspend is due to the Accountable body income.		
<b>Other variances (under £50k)</b>	-144	n/a
<b>TOTAL</b>	<b>-1,142</b>	<b>n/a</b>

### Corporate Resources

The Department has a net underspend of £1.3m (3.2%). The main variances are:

	£000	% of Budget
<b>Commercial Services (Catering and professional services, Country Parks and LTS Property)</b>	825	59%
Pressure in Commercial Services is on-going; this includes recovery from the pandemic but also additional pressures through the increase in national living wage and general inflationary pressures. The local government workers pay award places significant pressure on commercialism especially services employing staff on lower grades e.g. catering. It is likely that those pressures persist and deepen into 2024/25. The Chancellors announcement of £11.44 for the national living wage for 1 April 24 will add 5-10% onto staff costs.		
<b>Transformation Unit</b>	500	29%
Reduction in draw down from the Transformation reserve as covered from the overall departmental underspend.		
<b>Building Maintenance Costs</b>	63	2%
Overspend related to higher levels of reactive maintenance than expected related to patching, collapsed sewage works and data centre false gas deployment (false fire alarm).		
<b>Strategic Property</b>	51	2%
One-off increase in contribution to Social Care Investment Plan (SCIP) sinking fund to ensure sufficiency when considering items identified in conditions surveys for SCIP buildings.		
<b>ICT</b>	<b>-1,147</b>	<b>-9%</b>

Underspend has been mainly driven by the existence of vacancies throughout the service. Also a reduction in IT equipment and software licences requirement this year as well as contract savings on smartphones. Some IT workstreams being pushed into the new financial year due to the delivery of the service/system taking longer than expected.		
<b>Commissioning Support - Household Support Fund (HSF)</b>	<b>-347</b>	<b>n/a</b>
Budgeted administrative and other overheads income, incurred across the authority, not recharged and instead the income held on the HSF cost centre.		
<b>Building Running Costs</b>	<b>-318</b>	<b>-7%</b>
Valuation Tribunal's decision to reduce Rateable Value of the Industrial Heritage Museum campus to £1 has resulted in a £140k underspend in 23/24 as well as £1.3m rebate reported as a prior year adjustment. These will be realised as an ongoing saving from 24/25 onwards. In addition reduced energy and facilities management costs (£200k) due to under occupation and refunds for some sites, most notably Roman Way and Coalville Community Resource Centre both expected to be disposed of in 24/25 and contribute towards MTFS savings. The saving is partially offset by an unfunded business rates liability of £90k related to the Bardon Transfer Waste Centre.		
<b>Corporate Resources Projects</b>	<b>-300</b>	<b>-69%</b>
Limited additional commissioning of system and reporting developments for Fusion and PBCS.		
<b>Operational Property</b>	<b>-210</b>	<b>-9%</b>
Staffing turnover and vacancies across several teams. Also some additional income from NHS tenants for Postal Services.		
<b>Corporate HR</b>	<b>-163</b>	<b>-7%</b>
Underspend on staffing due to vacancies/movements and delays in recruitment.		
<b>Strategic Finance and Pensions</b>	<b>-137</b>	<b>-3%</b>
Underspend due to vacancies and timing delays in filling vacant posts		
<b>Learning and Development</b>	<b>-123</b>	<b>-8%</b>
All training tightly reviewed in line with financial controls leading to an underspend.		
<b>Commissioning Support</b>	<b>-67</b>	<b>-5%</b>
An underspend on staffing due to 2 vacancies not filled and increased income from Midlands Highways Alliance.		
<b>Management</b>	<b>-58</b>	<b>-8%</b>
Staffing underspend due to gap in filling a vacancy.		
<b>Other variances</b>	<b>93</b>	<b>n/a</b>
<b>TOTAL</b>	<b>-1,338</b>	<b>n/a</b>

**EARMARKED RESERVES BALANCES**

	Revised Balance 01/04/23 £000	Actual Balance 31/03/2024 £000	Forecast Balance 31/03/25 £000
<b>Renewal of Systems, Equipment and Vehicles</b>	1,970	1,359	1,951
<b>Trading Accounts</b>			
Investing in Leicestershire Programme (IILP)	430	2,600	3,706
<b>Insurance</b>			
General	10,310	10,259	10,870
Schools schemes and risk management	0	34	34
Uninsured loss fund	5,190	5,120	5,120
<b>Committed Balances</b>			
Central Maintenance Fund	0	60	0
Community Grants	20	21	21
<b>Other</b>			
Children & Family Services			
Supporting Leicestershire Families	500	500	0
C&FS Developments	3,070	2,134	104
Youth Offending	750	895	672
Other	380	253	211
Adults & Communities			
A&C Developments	1,360	1,435	1,435
Adult Learning Service	190	139	139
Public Health	8,430	9,032	5,800
Environment & Transport			
E&T Developments	170	13	155
Commuted Sums	2,710	2,425	1,925
LLITM	1,300	539	161
Waste Developments	1,190	665	705
Major Projects - advanced design	600	822	429
Section 38 Income	460	435	27
Other	150	161	119
Chief Executive			
Economic Development-General	280	278	278
Chief Executive Dept Developments	430	431	431
Other	50	103	103
Corporate Resources			
Other	420	481	417
Corporate:			
Transformation Fund	9,450	8,920	4,287
Broadband	1,770	3,853	3,853
Business Rates Retention	570	568	568
Elections	300	501	701
Other	0	75	75
Budget Equalisation	40,510	61,268	61,000
Carbon Neutral Investment Fund	2,000	2,000	2,000
Flooding Restoration Works	0	1,000	0
Capital Financing (phasing of capital expenditure)	136,410	149,330	95,599
Pooled Property Fund investment *	-24,770	-24,766	-18,466
<b>TOTAL</b>	<b>206,600</b>	<b>242,943</b>	<b>184,430</b>
<b>Schools and Partnerships</b>			
Dedicated Schools Grant	-30,160	-32,021	-47,984
Active Together	1,480	1,242	865
Health & Social Care Outcomes	13,100	9,975	11,575
Emergency Management	860	895	895
East Midlands Shared Services - other	10	52	52
Leicestershire Safeguarding Children Board	170	238	200
Leics Social Care Development Group	30	33	33
Total	-14,510	-19,586	-34,364

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

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**Capital Budget 2023/24 – forecast main variances****Children and Family Services**

Net slippage of £7.5m. The main variances were:

	£000
<b>Provision of Additional Places</b>	<b>-4,648</b>
<p>1) Shepshed Iveshead - slippage of -£2.3m. The Shepshed campus has multiple Education provisions that have some degree of interaction and timing dependency for building works. The project planning required additional site visits, to review project brief and competitive procurement options available delaying the start date. Enabling works are underway and are expected to complete by the end of March 2024 with commencement of the build on site in July 2024.</p> <p>2) Ibstock High School - slippage of -£1.4m. This scheme supports housing growth in the area and transition to 11-16. The original estimates for the start of the project were slightly optimistic with the latest update now reporting construction starting in July 2024.</p> <p>3) Coalville Forest New Primary - slippage of -£2m. The timing of LA contribution to this scheme is dependent on the contractor hitting trigger points and submitting claims. The site has been impacted by unprecedented weather over the winter to date and as such it is now expected that the LA's contribution will not be incurred until 24/25</p> <p>4) Burbage Hastings High School - acceleration of £0.6m. This large expansion scheme to create a new sports hall and addition classrooms. The budget had been prudently profiled in the MTFS - however pre-construction works and professional fees will be incurred in 23/24</p> <p>5) Market Harborough S106 New Primary School - acceleration of £1.8m. The profiling of the budget for this scheme was undertaken prudently. The scheme is well underway, with completion expected approx August 24.</p> <p>6) Slippage of -£0.2m each on Rothley Classroom Extension, Normandy way Hinckley Primary and Old Dalby extension as final completion slipped to 24/25</p> <p>Other schemes - slippage of -£0.8m</p>	
<b>Children's SEND Programme</b>	<b>-1,934</b>
<p>SEMH school St Botolph's - slippage of -£0.9m. This budget was increased in anticipation of additional costs relating to drainage/sewage issues and potential upgrades to existing system. Connections into the drain system have now been made, but further testing will need to be undertaken to determine whether any upgrade will need to be undertaken. This will not happen before the end of the financial year.</p> <p>Dorothy Goodman remodel - slippage of -£0.4m. The practical completion date of this scheme has been pushed back from Feb 24 to April 24.</p> <p>SEND Contingency - slippage of -£0.4m from unused SEND grant will be used in 24/25 towards new SEND school</p> <p>Robert Smythe - slippage of -£0.2m from delay in submitting final claim for passported development</p>	
<b>Children's SCIP Programme</b>	<b>-429</b>
<p>Slippage of -£0.6m. Despite extensive searches of the property market, the LA has been unsuccessful to date in sourcing a suitable property for the second EBD provision. A property has now been found, and a provisional offer accepted. However completion of the purchase won't happen until 24/25</p> <p>Workspace 17 (Art Hub &amp; 3 beds) - acceleration of £0.1m.</p>	
<b>Strategic Capital Maintenance</b>	<b>-292</b>
<b>Safeguarding &amp; Schools Access</b>	<b>-199</b>
<b>TOTAL</b>	<b>-7,502</b>

**Adults & Communities**

Net slippage of £1m. The main variances were:

	£000
1) Supported Living SCIP Schemes - This budget relates to two extra care schemes, but the land transaction is no longer expected to take place in this financial year, so is slipping into next financial year.	<b>-1,009</b>

2) Wigston LALS refurbishment – slippage of -£58k due to a delay in commencing of work. Expected to take place in 2024/25.	-58
<b>TOTAL</b>	<b>-1,067</b>

### Environment and Transport

Net slippage of £19m. The main variances were:

	£000
<b>Melton Mowbray Eastern Distributor Rd</b>	<b>-9,317</b>
Due to continued storms the programme has been delayed in the 2023/24 year and therefore some works will now need to be delivered in the 2024/25 financial year. In addition There are delays on the land acquisitions claims which is causing the programme to slip.	
<b>Council Vehicle Replacement Programme</b>	<b>-2,199</b>
Orders committed however due to supplier issues this has delayed the delivery of the vehicles.	
<b>Advance Design / Match Funding</b>	<b>-1,261</b>
Slippage due to delays in transport modelling from ongoing delays in the strategic planning partnership, delay in securing funding for Desford Crossroad project and works programmes on the cycling and walking for Active Travel.	
<b>A511/A50 Major Road Network</b>	<b>-853</b>
The sealing of compulsory purchase order (CPO) has been delayed due to design amendments. This has resulted in the legal fees and CPO public inquiry costs moving to the next financial year.	
<b>Highways Capital Maintenance</b>	<b>-737</b>
Slippage of -£0.4m relates to delays in design works on the A511 and Zouch bridge procurements. Slippage of -£0.3m relating to Bridge maintenance caused by weather conditions not being optimal for works to be completed and delays in securing EA permits.	
There were also underspends on some schemes(-£0.9m) relating to slippage from 2022/23 financial year matched by overspends in Preventative/Restorative maintenance due to carriageway deterioration and additional vehicle usage charges for Roadmenders.	
<b>Zouch Bridge Replacement - Construction and Enabling works</b>	<b>-665</b>
Procurement process underway with programme works expected to start later in 2024/25.	
<b>Waste Transfer Station Development</b>	<b>-580</b>
Ongoing discussions with contractor regarding snagging issues has led to slippage. Discussions not being resolved as quickly as previously expected.	
<b>Property Flood Risk Alleviation</b>	<b>-569</b>
Slippage on schemes in Breedon, Swithland, Harborough and Diseworth. Resource impacts from Storm Henk and reprofiling with the Environment Agency are key reasons for this.	
<b>Ashby Canal Reed bed</b>	<b>-491</b>
Slippage due to work not commencing until March 2024.	
<b>NPIF Schemes</b>	<b>-378</b>
Slippage due to programme closure now expecting to be early 2024/25 with final works and costings to be confirmed at this time. In addition the works relating to Spa Lane in Hinckley are now commencing later than previously anticipated and now predominantly will occur in 2024/25	
<b>Recycling household Waste Sites - S.106 funded schemes</b>	<b>-344</b>
After a review of the programmes several programmes will be delayed until 2024/25	
<b>Safety schemes</b>	<b>-333</b>
Net slippage in relation to delivery timeframes for Vehicle Activated Signs, Parish's making claims for their speed reduction programmes and a delay in completing safety schemes.	
<b>Recycling household Waste Sites - General Improvements</b>	<b>-307</b>
Slippage due to delays in delivery of new mobile plant for RHWS's.	
<b>Area Office Accommodation</b>	<b>-285</b>

Slippage due to reprogramming the depot improvements/maintenance programme. Expecting delays beyond 24/25 due to MMDR NE compound on land outlined for Melton Depot.	
<b>Externally funded schemes</b>	<b>-251</b>
Slippage as start date of schemes delayed due to supplier issues.	
<b>LLITM Leicester and Leicestershire Integrated Transport Model - Refresh</b>	<b>-250</b>
Due to continued deterioration of the road increased re surface dressing has been required which will be offset by the announcement of additional funding from Network North.	
<b>Other variances</b>	<b>-291</b>
<b>TOTAL</b>	<b>-19,111</b>

### Chief Executives

The outturn is in line with the updated budget.

### Corporate Resources

Net slippage of £2.8m. The main variances were:

	<b>£000</b>
<b>Workplace Strategy - End User Device (PC, Laptop)</b>	<b>-620</b>
Slippage agreed at previous WoW Programme Board to ensure refresh funds available beyond existing MTFS period.	
<b>Property Services</b>	<b>-602</b>
slippage of £0.5m across a number of smaller schemes, including works at county hall and at various country parks due to procurement / tendering delays. Works are scheduled to complete in 2024/25.	
<b>Workplace Strategy - Office Infrastructure</b>	<b>-589</b>
The slippage is due to requirements for departmental engagement and detailed design work pre-implementation. Internal resources has also impacted on delivery timescales.	
<b>Climate Change - Energy Initiatives</b>	<b>-476</b>
Slippage due to Heat decarbonisation plan to identify projects now expecting completion in April 24. EV Charging plans delayed to align to EV feasibility strategy completion.	
<b>Workplace Strategy - Property costs</b>	<b>-351</b>
Change in strategy - other unplanned work has created a delay to the original plan. This work was to be completed before any further lettings take place.	
<b>ICT Programme</b>	<b>-174</b>
Slippage to accommodate wider growth during 24-28 MTFS period	
<b>TOTAL</b>	<b>-2,812</b>

### Corporate Programme

Net slippage of £1.4m. The main variances were:

	<b>£000</b>
<b>Investing in Leicestershire Programme (IiLP)</b>	<b>-1,435</b>
Slippage of -£0.5m on Corporate Asset Investment fund as no investment opportunities identified in 23/24. Slippage due to procurement delays: -£0.2m on County Farms Improvements and -£0.3m on Industrial properties improvements. Also total of -£0.4m of slippage due to re profiling of M69 J2, Embankment house and Lutterworth East schemes.	

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**APPENDIX E****PRUDENTIAL INDICATORS 2023/24**

	<b>Original Indicator</b>	<b>Forecast as at 03/1/2024</b>	<b>Provisional Actual as at 31/03/2024</b>
Actual Capital Financing Costs as a % of Net Revenue Stream	4%	3.7%	3.7%
Capital Expenditure (£000's) (excluding Schools devolved formula capital)	£171m	£138m	£107m
Operational Limit for External Debt (£000's)	£263m	£263m	£263m
Authorised Limit for External Debt (£000')	£273m	£273m	£273m
Interest Rate Exposure – Fixed	50-100%	50-100%	50-100%
Interest Rate Exposure – Variable	0-50%	0-50%	0-50%
Capital Financing Requirement (£000's)	£202m	£202m	£202m
Actual debt as at 31/3/2024 (£000's)	£262m	£220m	£220m

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**SCRUTINY COMMISSION – 10 JUNE 2024****CORPORATE COMPLAINTS AND COMPLIMENTS  
ANNUAL REPORT 2023 – 2024****REPORT OF THE DIRECTOR OF CORPORATE RESOURCES****Purpose of Report**

1. The purpose of this report is to present for the Commission's consideration the Corporate Complaints and Compliments Annual Report, covering the period from 1 April 2023 to 31 March 2024. This is attached as appendix A to this report.

**Background**

2. 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.
3. Corporate Complaints are the primary subject of this report and ahead of presentation to the Scrutiny Commission.
4. The corporate complaints service produces an annual report to analyse and provide comment on complaints received during the preceding 12 months.
5. 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 2023/2024
6. 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 (2022-23 comparative data is in brackets)**

7. During 2023-24 the following complaints were received
  - 1,112 Corporate complaints (781) – a 42% increase
  - 83 Local Government and Social Care Ombudsman enquiries (80) – a 2% increase
8. 529 Corporate complaints were upheld - which is 47% of the total received (51%)
9. 82 Ombudsman Decisions were made during 2023/24 as follows.
  - 27 Maladministration with Injustice
  - 23 Premature
  - 22 Closed with no Further Action
  - 6 Outside of LGO remit
  - 4 No Fault found after detailed investigation.
  -

## **Response times**

10. During 2023-24, complaint response times at Stage 1 showed some improvement from 2022-23. There remained some pressures however particularly around SEN complaints.

### **Stage 1**

- 48% of all complaints received a response within 10 working days
- 76% received a response within 20 working days
- 90% received a response within 40 days.

### **Stage 2**

- 61% of all complaints received a response within 20 working days. This was a significant improvement on last year (37%)

## **Issues most frequently complained about**

11. The top five issues complained about were as follows:

Special Educational Needs (SEN) assessment	285
SEN and School Transport	149
School Admissions	109
Waste Management	60
Grass Cutting	49

### **Local Government and Social Care Ombudsman Complaints**

12. Following a significant increase last year, the number of Ombudsman decisions issued during the year has remained stable. These continue to be dominated by SEN decisions.
13. This reflects the national picture with the Ombudsman declaring that 40% of its overall case-work related to SEN during the year.
14. There has also been an increase in the findings of maladministration this year. Financial payments made across Corporate Complaints decreased from £40,750 in 2022-23 to £27,222. Whilst this is a positive, it should be cautioned that this figure does not include redress offered by the Council at the local stages of the procedure.
15. 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.
16. The Ombudsman did not issue any public reports against the Council during the year.

### **Compliments**

17. There was an increase in numbers of compliments recorded during the year with 335 across all services (up from 211 in 2022-23).

### **Adult Social Care Statutory Complaints**

18. There were 382 adult social care complaints recorded in 2023-24 a significant increase of 87% on 2022-23 (204)
19. Response times for social care complaints remained strong this year with 77% responded to within 20 working days. This is almost identical to last year (76%). There were just 5 complaints exceeding the statutory maximum 65 working days which is a good improvement on last year (19).
20. Fault was found in 50% of complaints. An increase of 12% from previous year (38%). Delay was a significant factor in the higher uphold rates.
21. The Ombudsman investigated 17 social care complaints in 2023-24 and reached adverse findings in 5 instances. This was a decrease on the previous year (9). Financial payments of £550 were also significantly decreased from £15,870 in 2022-23. This shows strong efforts at local resolution of complaints.

### **Children Social Care Statutory Complaints**

22. A total of 81 Stage 1 complaints were accepted, a small decrease from 2022-23 (86).
23. The Council continues to assess complaints against the statutory guidance and practitioner guidance issued by the Local Government and Social Care Ombudsman in determining eligibility to the statutory procedure. This is important to control costs incurred through independent investigation.
24. 129 Childrens Social Care complaints were handled under the Corporate Complaints procedure.
25. Of the 81 complaints considered at Stage 1, 8 requested escalations to Stage 2 (Independent Investigation) equating to 10%. Of these, 4 requested further escalation to Stage 3 of the process (Panel Review) and 2 of those went on to approach the Ombudsman.
26. Response times for Stage 1 complaints showed good sustained improvement from last year with adherence to the stricter statutory timescale of 20 working days met in 63% of instances (37% in 2022-23)
27. The Ombudsman investigated 13 children social care complaints in 2023-24 and reached adverse findings in 6 instances. Financial payments of £2300 were made, very similar to that of 2022-23 (£2500).

### **Recommendations**

28. The Commission is asked to:
  - (i) note the contents of the Corporate Complaints Annual Report, covering the period 1 April 2023 to 31 March 2024.
  - (ii) provide comment and feedback on the content and analysis within the report.

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

None.

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

None

### **Background Papers**

Corporate Complaints and Compliments Annual Report 2022 – 2023: Scrutiny Commission – 12 June

<https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=137&MId=7101&Ver=4>

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**List of Appendices**

Corporate Complaints and Compliments Annual Report 2023 – 24

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# **Corporate Complaints & Compliments Annual Report 2023 - 2024**

## CONTENTS

Corporate Complaints & Compliments Annual Report 2023 - 2024.....	1
CONTENTS.....	1
1. Purpose of Report.....	2
2. Complaints and Compliments received in 2023-24.....	2
3. Service Performance 2023-24 .....	9
4. Learning from corporate complaints .....	12
5. Local Government and Social Care Ombudsman enquiries .....	14
6. Oversight and support provided by Complaint's service. ....	16
7. Introduction of new Joint Code of Practice for Complaints Handling .....	17
8. Concluding Comments.....	17

## **1. Purpose of Report**

- 1.1 To report statistical information on Leicestershire County Council's (LCC) corporate complaints and compliment activity from 1 April 2023 to 31 March 2024.
- 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 2023-24**

### **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.

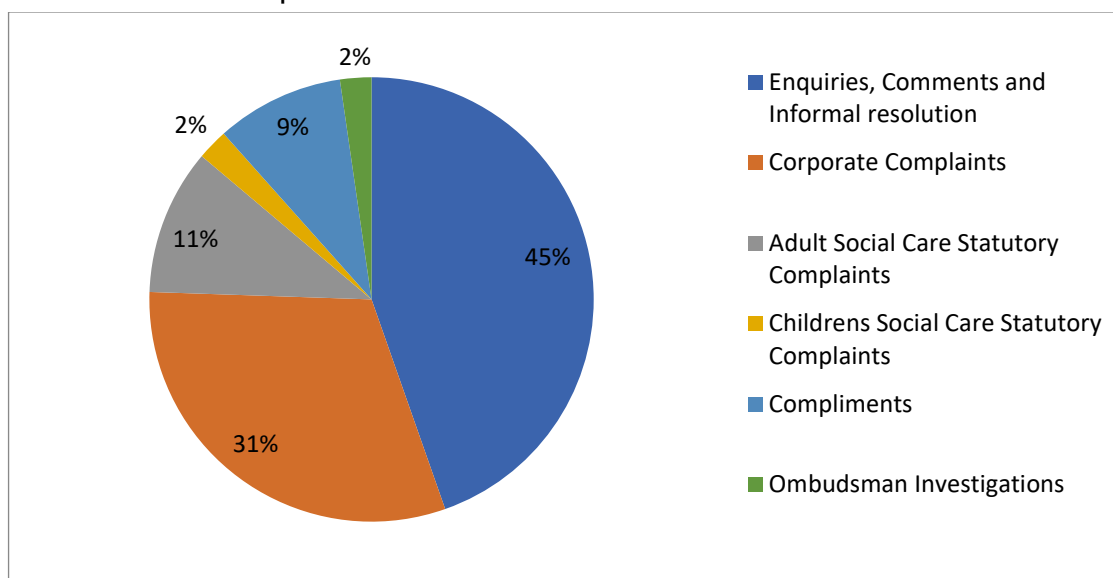
The team also, in liaison with the Director of Law and Governance, manage all complaints that are referred to the Local Government and Social Care Ombudsman (LGSCO). The Complaints and Information Manager acts as the nominated Link Officer and handles all correspondence between the Council and the Ombudsman.

## 2.2 Summary of all complaints, compliments and enquiries received in 2023-24

In total, the Complaints Team received and processed 3597 separate enquiries during 2023/2024, as depicted below:

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

Total number of enquiries: 3597



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.

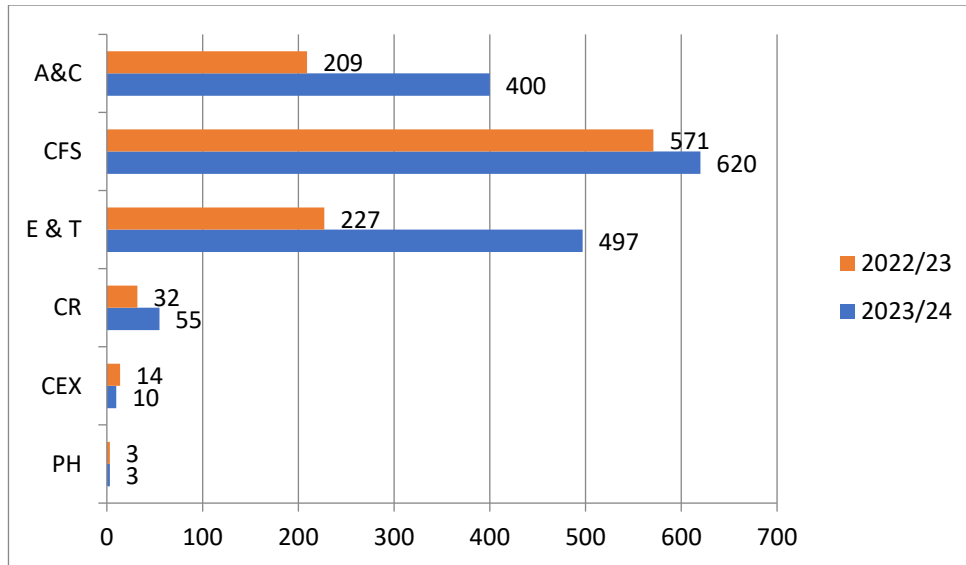
These are collated under Enquiries, Comments, and Informal Resolution. Further detail is provided on this under Section 2.6. At 45% of the overall volume this is a significant role for the team.

Overall, there has been a further 5% increase in contacts to the Complaints and Information Team, as set out in the table below. This followed a 25% increase last year. Although the overall rate of increase has eased, there is still significant demand pressures on the team.

Contact Type	2022/23	2023/24	% Change
Enquiries, Comments, and Informal resolution	2037	1605	-21%
Corporate Complaints	781	1112	+42%
Adult Social Care Statutory Complaints	204	382	+87%
Childrens Social Care Statutory Complaints	86	81	-6%
Ombudsman Investigations	80	82	+2%
Compliments	211	335	+58%
	<b>3399</b>	<b>3597</b>	<b>+5%</b>

Formal complaints were received across all departments in 2023-24 as represented in Table 2, contrasted with the figures for 2022-23.

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

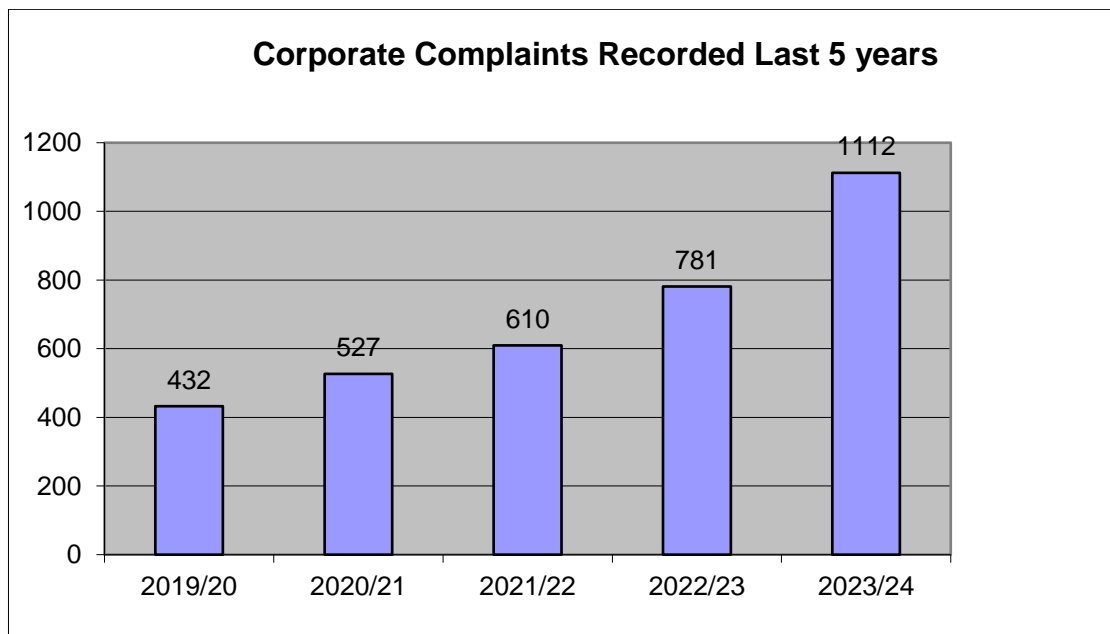


It should be noted that this report and the following analysis relates solely to the Council’s corporate complaints and compliments processes.

**2.3 Corporate Complaints trend analysis**

The total number of corporate complaints received increased by 42% during 2023-24. This follows a 28% rise from the previous year and continues the long-term trend of significant increase.

**Table 3: Corporate Complaints recorded during the last 5 years.**



## 2.4 Analysis of corporate complaint themes and significant changes from 2022-23

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 2022-23 corporate complaints annual report, the 5 services detailed below received the most complaints. Comparative data for 2023-24 has been added to the table below.

Service	2022/23	2023/24
School Admissions	237	109
SENA Services	193	285
SEN and School Transport	79	149
Highway Repair and Maintenance	26	41
Public Transport	24	11

The above shows a mixed picture in terms of success in service improvement.

It is welcome that, following significant transformation work, School Admissions complaints reduced by more than 50%. The main improvements here have been improved communication and timeliness of responding to applications.

Resource levels within this team have been stabilised and it is expected that there will be a further reduction this year.

SEN Assessment has returned to being the highest single area and remains an area which is generating significant volumes of complaints.

SEN and School Transport complaint numbers increased significantly whilst there was a smaller increase in Highway Maintenance complaints.

Complaints regarding Public Transport returned very much to usual levels. It is worth also saying that many operational issues are not recorded as complaints and instead referred to commercial operators to respond to.

## 2.5 Analysis of most common corporate complaints in 2023-24

The list below details the 5 most frequent complained about services during 2023-24.<sup>1</sup>

Service	2023/24
SENA	285
SEN and School Transport	149
School Admissions	109
Waste Management	60
Grass Cutting	49

### **SENA**

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

By far the biggest factor in these complaints is delay in meeting statutory timescales. There remain acute national and local pressures around capacity of Educational Psychologists and availability of specialist places.

The fact that these complaints are largely delay related means they are also some of the hardest to effectively resolve. This has a knock-on impact to the level of escalations to the LGSCO.

The Council continues to work to a DfE approved Accelerated Improvement Plan, but the pace of increased demand means this remains a hugely challenging area of work.

For context, SEN now makes up 40% of the LGSCO's case work nationally. This has overtaken Adult Social Care which has always been the highest area of work since the Ombudsman was created in 1974.

### **SEN and School Transport**

Representing 13% of the overall volume, it has been a difficult year for the Transport service particularly around the start of the Autumn term 2023.

There are significant ties to the SEN Assessment service and delays in naming placements impacted heavily on the Transport team's ability to commission and procure timely transport.

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<sup>1</sup> This list excludes the 101 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 2023-24

Specifically, this year there were also great challenges with the taxi market. This led to difficulties with procurement and an unusually high number of contracts handed back to the Council.

The area has stabilised during the final quarter of the year and significant work is taking place to plan for the Autumn term 2024 but it must present as an area of concern until such time as the improvements are translated into a reduced level of complaints.

### **School Admissions**

Although still representing 10% of the overall volume, it is important to stress that the vast majority of these were recorded in the first 6 months of the reporting year (April 2023 – September 2023).

Since October 2023, there have been just 21 complaints recorded and this includes covering the time period of National Offer Day which passed with very little negative feedback.

It should therefore be considered the remedial actions from last year have been successful in this area. Whilst it is important not to be complacent, this service no longer shows as an area of significant concern.

### **Waste Management**

Of the 60 complaints recorded, the majority were about customer care and perceived helpfulness of site workers.

Often no finding could be made as there were different versions of events but there were 22 instances which upon investigation it was found that operators could have handled things better.

There is a rolling programme of customer care training for workers.

Of the complaints not upheld, the most common theme was about lack of assistance for members of the public in handling bulky items. Our site terms and conditions do make clear that workers will not generally be available to assist but it is clear the public expectations are different.

### **Grass Cutting**

The 49 complaints received were almost exclusively concerns with missed cuts. There were a small number that were about the quality of the cut.

There were issues this year with the contractors performance and a full end of season review took place to identify improvements ahead of the 2024-25 season.



## 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 2023-24, the Complaints Team handled 1,605 miscellaneous enquiries including:

- First time requests for service which were passed to the relevant Customer Service Centre or other access point (653)
- Informal resolution within 24 hours. This includes provision of advice and information about Council services and policies (505)
- Providing advice and signposting to the correct organisation e.g., District Councils, Academies, Health (346).
- Providing advice and signposting to alternative procedures for redress, for example internal appeals procedures, subject access requests, HR procedures (101)

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.

335 compliments were recorded across all corporate services during 2023-24. This is significantly up from 211 in 2022/23. Libraries continue to receive high levels of compliments (253) reflecting the high value placed on this service by residents.

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 2023-24

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**

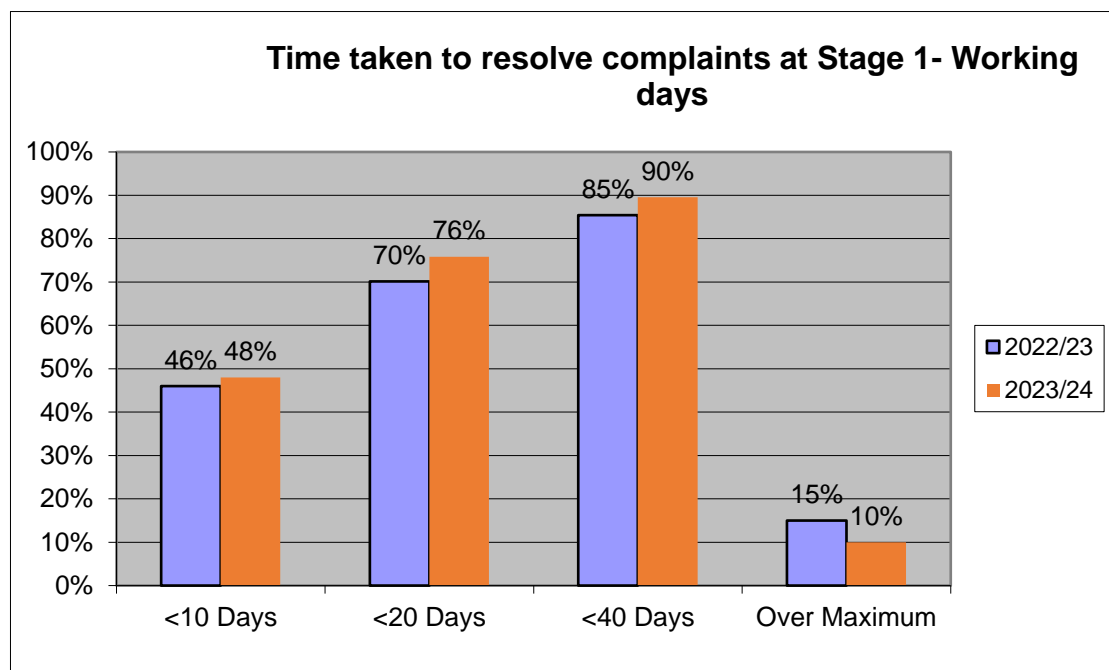


Table 4 shows a summary of time taken to respond to complaints at Stage 1 and compares to 2022/23 performance. Our corporate complaints procedure sets out a maximum of 40 working days at Stage 1.

As already noted there has been pressure on complaints timescales but there has been a light in-year improvement at all of the key performance indicators. There were however some 10% (112) complaints taking in excess of 40 working days to respond to. The vast majority of these were about SEN matters.

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.

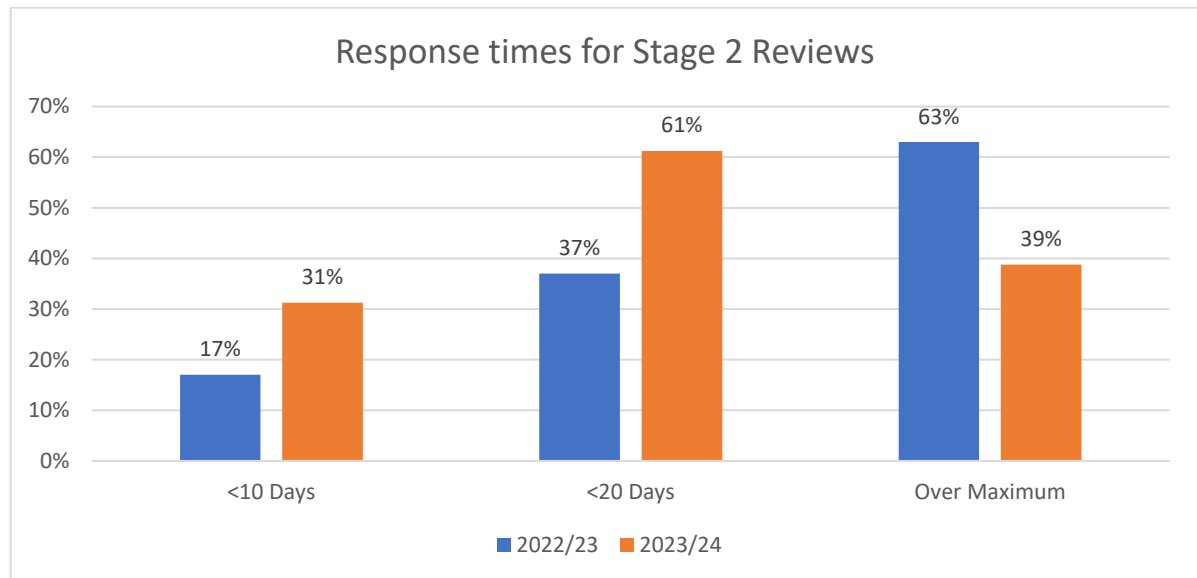
The LGSCO issued guidance during the year that has changed how we now deal with these situations. The Council is now expected to issue a final complaint response without waiting for plans to be finalised and proactively offering any appropriate redress payment.

### 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 2023/24 80 complaints were escalated to Stage 2 and responded to. This was a slight reduction on 2022/23 (83)

The graph below shows the time taken to respond at Stage 2.

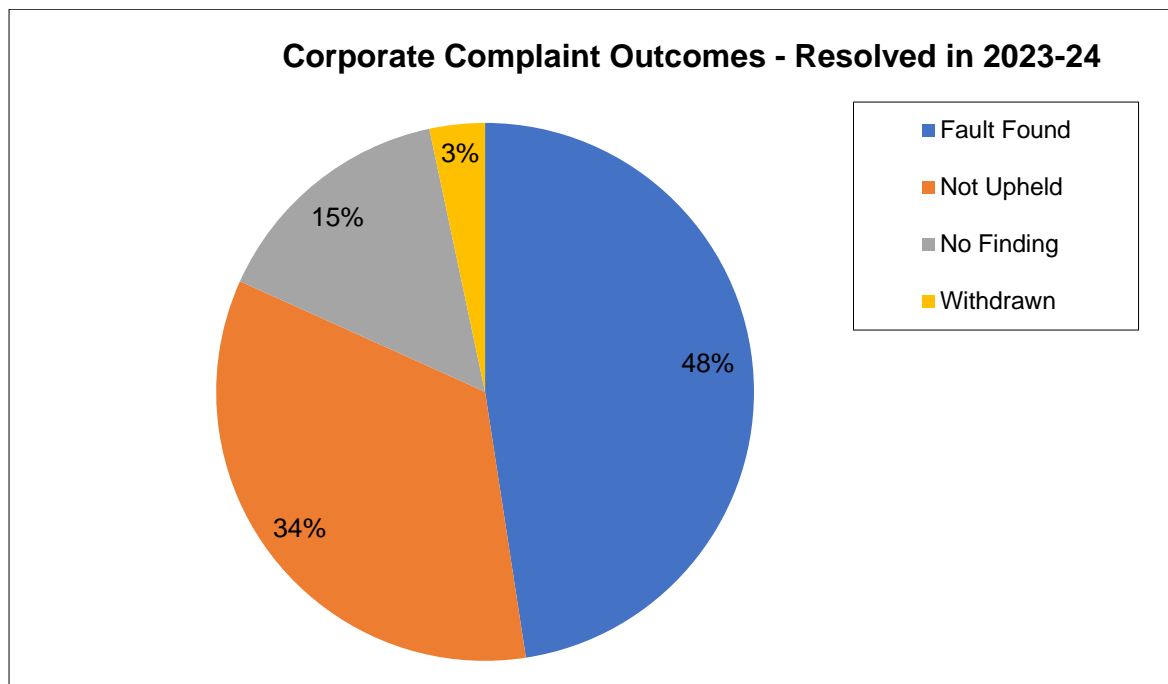


Again, this data shows improved compliance with our policy timescales but there is still some work to do, with 31 reviews taking longer than 20 working days.

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 529 (47%) complaints were upheld to some extent following investigation, this is slightly reduced from 2022/23 (51%). The relatively high proportion is again down to the volume of complaints where delay was the primary factor.

115 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 2023-24

All the 529 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.

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

You complained that	We Have
Kept repeating the same information when I contacted the Customer Service Centre	Reminded staff of the need to escalate into complaints process where matters are reaching an impasse and to ensure objective senior manager oversight
Highways officers refused to help answer questions about a diversion route	All operatives reminded to be polite to the general public whilst working on sites and should give guidance to anyone not sure of alternative routes
Refused to allow me to speak as part of a Transport appeal hearing	Reminded all appeals officers of the importance of offering verbal representations
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 through use of Locums
You took too long in answering my call when contacting the Admissions team to find out about my son's place	Reviewed our IVR systems to ensure that calls are routed to the right place and better access to information online. This has freed up resources and reduced call wait times

You complained that	We Have
There was a lack of urgency to assist with education for my daughter when she could not attend School	We identified a gap in ownership where children are applying for an EHCP. Lines of responsibility clarified moving forwards
Lack of assistance provided from transport team whilst arranging transport for my disabled son	We reminded the need to consider reimbursement for mileage costs if there are delays in commissioning arrangements
The grass cutting schedule was not being updated	We recognised issues with the performance during the year and will thoroughly review how we can ensure more timely updates provided online
You took too long to resolve a payment I was due	Undertaken training with the team to ensure better awareness of what information was needed up front.

## 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 2024 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 2023-24

During the year 2023-24, the LGSCO made enquiries into 83 complaints. This can be further segmented by department and alongside the last 2 year's figures:

Department	23/24	22/23	21/22
Environment and Transport	11	16	22
Children and Family Services	50	37	14
Adults and Communities	22	24	10
Corporate Resources	0	1	1
Chief Executives	0	2	3
Public Health	0	0	0
<b>TOTAL</b>	<b>83</b>	<b>80</b>	<b>50</b>

The number of new complaints escalated to the Ombudsman remains at very similar levels to 2022/23 but as can be seen the themes have changed with the vast majority now about SEN matters.

### 5.2 Decisions made by the Local Government and Social Care Ombudsman 2023-24

The LGSCO issued Final Decisions on 82 cases during the year. Ombudsman complaints can take several months to conclude so some will relate to complaints received in 2022/23. The outcomes reached were as follows:

- Six 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-two 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 found.
- Twenty-seven cases of maladministration and injustice were found.
- Twenty-three 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 23 in 2022/23

No Public reports were issued against the Council during the year. 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 2024.

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

### **Education & SEND – 17 Decisions**

Given the large number of decisions, the details of each case are not included but the key themes identified were:

- Non-compliance with statutory timescales
- Failure to have sufficient oversight to ensure support agreed within an EHCP was delivered.
- Failure to carry out annual reviews.
- Non compliance with duties to ensure alternative education provision was in place following a child being unable to attend school for.

### **Environment and Transport – 1 Decision**

#### **SEN Transport**

This complaint concerned the poor communication following a decision to suspend Council delivered transport.

The Ombudsman found fault with the Council's failure to engage with the parents before taking the decision to suspend and poor record keeping of the decision.

The Council agreed to make a payment of £350 in recognition of the fault and to make several improvements to its procedures.

Total compensation payments recommended by the Ombudsman this year amounted to **£27,222.15** a decrease from £40,750 in 2022/23.



## **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 complex cases and on occasion will act 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 again been promoted this year with 3 courses offered to Managers.

Assistance continues to be routinely provided to managers in drafting comprehensive responses to complaint investigations. This helps ensure 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.

There have been no additional resources to the Complaints team during the year 2023-24. Despite the increase in volumes, the additional posts created in 2022-23 are sufficient to manage the current demands.

## **7. Introduction of new Joint Code of Practice for Complaints Handling**

The LGSCO, in conjunction with the Housing Ombudsman introduced a new joint complaint handling code of practice (“The code”) in February 2024.

The code is intended to provide a gold standard for complaint handling across the local government and social housing sector. It will apply to all Councils in England. The intention is for the Code to be used by Councils from 01 April 2024 with the LGSCO incorporating it within their casework from 01 April 2026.

Over the next 12 months a number of pilot authorities will be trialling the Code and from this helping to develop more specific guidance.

There will be both policy and procedural changes that the Council will need to make over the next 12 months to ensure compliance with the Code. These include:

- Common sector definition of a “Complaint” and “Service Request”
- Tighter timescales for responses at Stage 1 of the procedure
- Requirement to self-assess compliance with the Code annually.

Work has already commenced on identifying the changes that will be required to be made. The Council is however starting from a solid foundation.

## **8. Concluding Comments**

This has been another challenging year for several areas of the organisation, including the Complaints team. This report shows continued demand pressures in SEN assessment and transport which in turn are generating the most complaints.

Encouragingly, there was a significant reduction in School Admissions complaints which is testament to the design changes that have been put in place over the last 12 months.

The next year will bring additional challenges as we start to implement the new Code of Practice into our casework. Whilst the County Council is starting from a good place in terms of our policy already matching many areas, there will be challenges in meeting the stricter timescales that the Code expects.

**APPENDIX A – Sample of compliments received.**

- Thank you to the friendly and helpful staff at Shepshed Library, I love coming here **Libraries.**
- Awesome beatfeet event at Blaby library, my children loved it. – **Libraries**
- Thank you to the 3 registrars who attended our wedding at Rothley Court hotel for being so professional and welcoming– **Registrars.**
- Thank you, S, YOU are a force of nature! Deeply impressed, immensely grateful and feel so relieved – **SEN Assessment**
- Thank you to the SENA team for all your help and support, she has relaxed progressively, and I've seen her smile come back. – **SEN Assessment**
- Thank you, C, for being so lovely and understanding, it very rare to find a professional with such a caring attitude for your own child – **SEN Assessment**
- Thank you, S, for the time and support that you have provided South Leicestershire Inclusion Partnership this year – **Inclusion Services**
- Compliment re help providing in securing school place – **School Admissions**
- Compliment for School Admissions re advice and helpfulness when contacted re a move– **Customer Services**
- I really would like to thank C for our conversation as it has helped me reach many conclusions. – **Complaints Team**
- On Boxing Day, the staff of Beacon Hill car park kiosk remained unruffled, efficient & courteous. Thank you and WELL DONE – **Country Parks**
- Thank you to C the advisor who was very helpful and pleasant, she answered all my queries, gave very clear directions for my next actions and kindly offered to send an appropriate link – **Customer Service Centre**
- Compliment re speed of response to reporting a fallen tree – **Highways.**
- My sincere thanks to A for organising all the elements regarding the two drains and please pass on my thanks to all your team. – **Environmental Services**
- Thank you so much to your highways team who have acted so quickly to my request regarding the dislodged kerb outside my house. – **Highways**

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# Overview and Scrutiny

## Annual Report 2023/24



# Contents

<b>Foreword</b>	<b>3</b>
<b>What is Overview and Scrutiny?</b>	<b>4</b>
Principles of good scrutiny and how it makes a difference	4
Leicestershire’s scrutiny structure	5
Stakeholder and Public Involvement	6
<b>Scrutiny Activity during 2023/24</b>	<b>7</b>
Scrutiny Commission	7
Adults and	10
Communities	10
Children and Families	13
Highways and Transport	15
Environment and Climate Change	17
Health	19
<b>In Depth Scrutiny Reviews</b>	<b>21</b>
<b>Overview and Scrutiny Members</b>	<b>22</b>
<b>The Overview and Scrutiny Team</b>	<b>23</b>

# Foreword

By the Scrutiny Commissioners

Once again, we are pleased to present this annual report which sets out the extensive work undertaken, and outcomes achieved by the County Council's overview and scrutiny committees for the 2023/24 municipal year. It also provides a general overview of how scrutiny operates and how you, as a member of the public, can get involved.

We continue to be impressed with the volume and quality of scrutiny undertaken by each committee and the number of recommendations made to the Cabinet and key partners, to help drive improvement in services for the benefit of residents. Each committee has scrutinised and questioned relevant Cabinet Lead Members on their areas of responsibility and reviewed a range of specific topics, including adult social care support and funding for nursing care provision, the delivery of the Councils Transforming SEND and Inclusion programme and SEND Transport, flooding, particularly following Storm Henk, and we have undertaken some focussed work to look at proposals to deliver savings through the closure of some recycling and household waste sites and SHIRE community and environment grants.

At the County Council we take great pride in our scrutiny function, and we would like to pay tribute to officers for supporting and facilitating the Overview and Scrutiny process, staff working within partner organisations that have sent representatives to share information and their experiences, and Cabinet Members that have attended meetings to answer our questions.

Finally, we would like to thank all Scrutiny Members for their commitment and contribution to the process, with special thanks to the Chairs and Spokespersons who have continued to drive each Committee's work programme to address areas of concern and interest.

*The four Scrutiny Commissioners are responsible for leading the Overview and Scrutiny process, deciding on priority issues for Scrutiny and areas that merit more detailed review.*



**Michael Mullaney CC**  
Chairman of the  
Scrutiny Commission



**Rosita Page CC**  
Vice Chairman of the  
Scrutiny Commission



**James Poland CC**  
Scrutiny  
Commissioner



**Amanda Hack CC**  
Scrutiny  
Commissioner

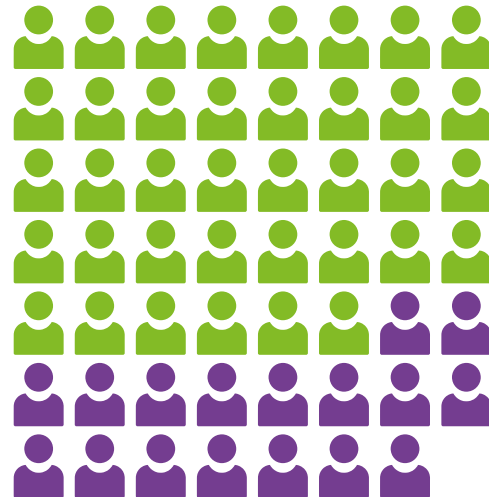


# What is Overview and Scrutiny?

Overview and Scrutiny (scrutiny) is an important part of local democracy and provides the legal power for Members who are not Cabinet members to look into issues of concern and make sure decisions taken are for the benefit of Leicestershire residents.

Although scrutiny cannot make decisions, it can make recommendations for improvement to those that do (i.e. the Cabinet). Scrutiny can also look at services provided by other organisations, such as health, and make recommendations for partners too.

There are currently 55 Councillors elected to Leicestershire County Council to represent the residents of Leicestershire. **Of those, 38 (non-Cabinet members) are appointed to the Scrutiny Commission and five other Overview and Scrutiny Committees** which are politically balanced committees and provide challenge to the Cabinet.



## Principles of good scrutiny and how it makes a difference.

The four key principles of scrutiny as established by the Centre for Governance and Scrutiny are:

1. To provide critical friend challenge to executive policy and decision makers
2. To enable the voice and concerns of the public to be heard
3. To be carried out by independent minded councillors
4. To drive improvement in public services

Scrutiny committees hold the Cabinet to account for the decisions it has taken or intends to take, and acts as a critical friend, helping to ensure the Council delivers its services efficiently and effectively. They do this by:

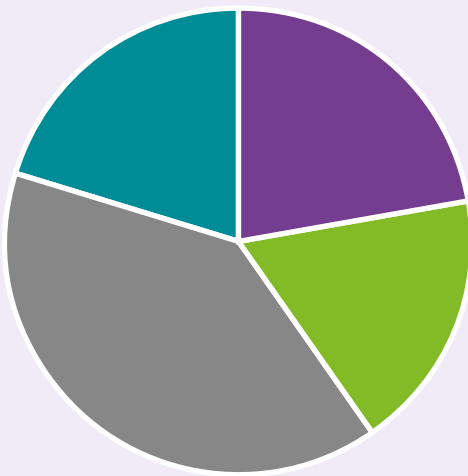
- Reviewing and commenting on the County Council's budget and strategic policies.
- Undertaking pre-decision scrutiny of key matters, making recommendations for improvement wherever possible.
- Monitoring and challenging the performance of services and the outcomes delivered for those living and working in Leicestershire.
- Providing transparency by holding meetings in public and taking questions from residents.



## Types of Scrutiny Undertaken

Well over a quarter of reports considered by the Council's Scrutiny Committees resulted in their comments being presented to and considered as part of the Cabinet's decision making process.

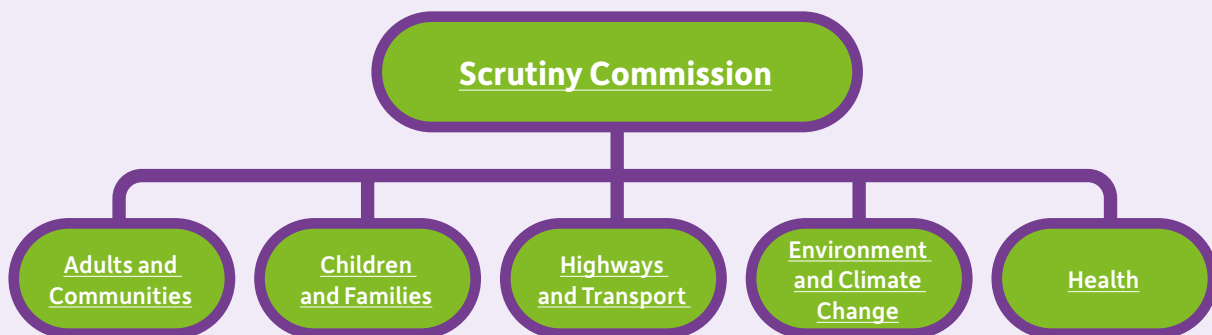
Scrutiny Committees have sought to keep abreast of issues, receiving information updates on a range of issues affecting residents, but have focused substantially on monitoring the Council's performance and seeking assurance around service and project delivery.



■ Pre-Cabinet Scrutiny
 ■ Policy Development
 ■ Performance and Assurance
 ■ Information

## Leicestershire's scrutiny structure

In Leicestershire all scrutiny work is carried out by the Scrutiny Commission and five Overview and Scrutiny Committees which each look at a particular service area of the Council. These are outlined in the table below.



Scrutiny Committees can also initiate a workshop to look at a particular issue in detail. These can provide for short sharp scrutiny.

Alternatively, a formal Scrutiny Review Panel can be established. Whilst time limited, these can run for several months and their recommendations, which may suggest a change in policy or service provision, are submitted to the relevant parent scrutiny committee prior to consideration by the Cabinet.

Reports of previous Scrutiny Review Panels and Task and Finish Groups can be viewed on the Council's [website](#). Details of two carried out this year are set out below.

You can also find out more about how Overview and Scrutiny works in Leicestershire by accessing our [Overview and Scrutiny Guide](#) on the Council's website.

## Stakeholder and Public Involvement

Our committees work to ensure the Council and its partners are delivering the right policies and services that will benefit Leicestershire residents and service users. They do this by:

- Inviting partners, stakeholder representatives and external experts to contribute evidence to broaden Members' understanding and inform their discussions.
- Having co-opted members on the Children and Family Services Overview and Scrutiny Committee, representing parent governors and Church of England maintained schools.
- Using Scrutiny Members' local knowledge from within their communities to question decision makers (i.e. Cabinet Lead Members) and officers.
- Ensuring transparency by holding meetings in public and webcasting these live via the Council's [YouTube channel](#).

**Attendance and involvement by the public is also actively encouraged, and this can be done by:**

- Attending a meeting – Members of the public are welcome to attend any public meeting of a Scrutiny Committee, details of which are listed on the [online meeting calendar](#).
- Asking a question – all Scrutiny Committees allow for public questions at the beginning of each meeting. If you wish to ask a question, please see our [online guidance on how to submit a question](#).
- Submitting a petition – all Scrutiny Committees can receive petitions relating to an area that the council has authority over. It can be submitted by anyone who lives, works, or studies in Leicestershire and can be submitted in writing or as an e-petition. For further details, see our [online guidance on how to submit a petition](#).
- Identifying issues which a Scrutiny Committee might look at (particularly through a specific review).
- Providing evidence to inform Scrutiny (either in writing or in person).
- Contributing to consultations, surveys, workshops and/or focus groups.

Leicestershire County Council continues to be committed to allowing residents full insight into its decision making and so, as set out above, **all Scrutiny Committees are held in public, allowing people to attend in person to view the debate and ask questions**. Here is a summary of the level of public scrutiny undertaken over the last year.

<b>Committee Meetings held:</b>	<b>31</b>
<b>Reports Considered:</b>	<b>128</b>
<b>Hours of public debate:</b>	<b>56</b>
<b>Questions submitted by Members and the Public:</b>	<b>18</b>
<b>Webcast views:</b>	<b>2920</b>
<b>Comments submitted to Cabinet:</b>	<b>28</b>
<b>Recommendations made and additional information and assurance sought</b>	<b>97</b>



# Scrutiny Activity during 2023/24

## Scrutiny Commission

The Scrutiny Commission reviews the overall strategic direction and corporate policies and priorities of the Cabinet and Council, including the budget and its four-year Medium Term Financial Strategy (MTFS). Full details of the Commission's work can be found on the Council's [website](#).

### The Budget and Finance Monitoring

The central role of the Scrutiny Commission is to monitor the financial health of the Council. It has been an exceptionally demanding year with rising costs and inflation and continued growth in demand for services. In addition to regularly reviewing the Council's overall financial performance, the Commission has specifically looked at those projects and services which pose the biggest risk to the Authority. The Commission has:

- Submitted its views to the Cabinet on the Council's budget proposals for the next four years.
- Raised concerns regarding the Council's worsening financial position and expressed frustration at the lack of adequate Government funding particularly in areas such as adult and children's social care. The Commission continued to press the Lead Member for Resources regarding progress being made to secure fair funding for Leicestershire and provided its support to his discussions with Government officials on this issue.
- Supported the recommendations of the SHIRE Grants Scrutiny Review Panel and submitted these to the Cabinet for consideration. The Cabinet has subsequently approved the approach put forward and these have been included in the current MTFS.
- Raised concerns about the level of slippage in delivery of the capital programme and the impact this had on overall costs incurred. The Committee has closely monitored the position through receipt of quarterly budget monitoring reports.
- Commented on the need for more to be done by the NHS locally as Leicestershire had the fewest number of nursing places funded within the community. The Committee asked that the Adults and Communities Overview and Scrutiny Committee look at this in more detail.
- Referred its concerns regarding risks relating to the use of costly agency staff across the authority to the Council's Corporate Governance Committee for consideration. This Committee is to receive a detailed presentation on this risk later in 2024.

## Commercial Strategy Performance

The Commission has continued to monitor the performance of Leicestershire Traded Services (LTS) which has struggled to recover in some areas following the Covid-19 pandemic. The Commission:

- Noted that whilst all traded services had recovered well over the last 12 months, rising costs and inflation had eroded any improvement resulting in performance continuing to be below target.
- Submitted a number of concerns regarding the performance of the Service to the Cabinet for consideration, particularly regarding Beaumanor Hall, the school meal service and country parks and cafes.
- Agreed to hold a workshop to look at each traded services performance in detail and the income being generated against capital costs invested.

## Investing in Leicestershire Programme

The Commission looked at the performance of the Investing in Leicestershire Programme (previously the Corporate Asset Investment Fund (CAIF)) and considered performance against the Council's Corporate Asset Management Plan 2022 – 2025. The Commission:

- Welcomed the change in approach to prioritise investments that would support the local economy and local growth, as well as generate an income for the Council.
- Recommended that the Programme specifically incorporate targets for the delivery of wider economic benefits and asked that future reports include details of how these were being achieved.
- Considered proposals for the final phase of development at Airfield Business Park in Market Harborough.
- In light of public concern, raised questions regarding RAAC (reinforced autoclaved aerated concrete) and was pleased to hear none had been found in any Leicestershire maintained schools. For academies, the Commission sought and received more information regarding the maintenance obligations imposed on academies under their lease agreements and the Council's ability to take action if these provisions were not being complied with.

## Customer Programme and Automation

The Commission looked at progress being made in the delivery of the Council's Customer Programme and considered the proposed approach to automation as an enabler for improving the efficiency and effectiveness of Council services. The Commission:

- Highlighted that 28% of people were not digitally enabled therefore some residents would continue to require access through traditional channels. This needed to be balanced against an increase in demand for digital options, although members raised concerns that too many options risked adding complexity and causing confusion.
- Raised concerns that digital options could alienate some residents, particularly those most vulnerable and in need of support. The Commission was reassured that all non-digital channels that worked well and continued to be utilised would remain for the those that needed them.
- Suggested a change in terminology when describing the Programme, as introducing self-service options was not to reduce customer contact but to provide an alternative form of contact for those able and wanting to use this option.
- Commented on the need to improve departmental responses times when these were passed on by the Customer Service Centre.

- Suggested that all members be updated on the Programme as soon as possible given they were key points of contact for residents. The Commission also requested that updates be provided to all departmental overview and scrutiny committees as the Programme was rolled out so that progress and risks could be monitored.

## Crime and Disorder

In its capacity as the Council's designated Crime and Disorder Committee the Commission considered the Council's progress to deliver its Community Safety Strategy and Domestic Abuse Reduction Strategy in partnership with other agencies. The Commission:

- Commended the valuable work of the service and the excellent partnership arrangements in place with district councils, particularly in addressing homelessness in cases of domestic violence.
- Requested more information on the costs of domestic abuse services commissioned compared to Government funding received.
- Welcomed work undertaken to educate and support young people affected by domestic violence.

## Place Marketing and the LLEP (Leicester and Leicestershire Enterprise Partnership)

Representatives from the Place Marketing Organisation (PMO) attended to answer the Commission's questions regarding delivery of its priorities for 2023/24. The Commission also received an update on the Government's transition of responsibilities from the LLEP to the County and City Councils. The Commission:

- Challenged what direct outcomes were achieved by the PMO, noting that this provided a centralised point of contact for businesses and agents seeking to locate or expand in the area.
- Questioned the benefit of attending MIPIIM (the international market for real estate professionals) events, suggesting that a presence at UK based events such as REiif was a more appropriate use of Council resources and more likely to attract investment.
- Sought more information regarding the governance and decision making arrangements that would be implemented by the County and City Councils following the cessation of the LLEP and challenged how this would continue to involve partners (such as district councils) and the business community.

## Next Year...

The Commission will continue to monitor the Council's financial performance and the performance of its commercial traded services. It will also look again at the Council Customer Programme and consider proposals for future Investing in Leicestershire Programme investments.





# Adults and Communities

This Committee exercises the Scrutiny function in relation to services provided by the Adults and Communities Department. Full details of the Committee's work can be found on the Council's [website](#).

## CQC Assurance of Adult Social Care

The Committee considered a number of reports on the expected Care Quality Commission (CQC) Assurance visit. The Committee:

- Welcomed Dr. Carol Tozer's independent review during the Annual Conversation visit to the Council on 9 and 10 August 2023, which had focussed on the four CQC Assurance Framework themes - working with people, providing support, ensuring safety and leadership.
- Requested that action be taken to improve the Adult Social Care section of the Council's website to address issues raised through the review, including the ongoing curation of the website to ensure long term quality assurance of contents.
- Asked that consideration be given to the introduction of a standard process to contact more regularly those in receipt of care (by email) to provide assurance that the Council was keeping in touch in between the annual review process.
- Supported the key priorities for improvement identified through the Department's own self-assessment in preparation for its CQC inspection. The Committee has requested a further report on how these will be incorporated into the Plan and thereafter regular six-monthly updates on progress.

## Collections Development Policy and Access Policy for the Records Office for Leicestershire, Leicester and Rutland (ROLLR)

The Committee has continued to receive reports on the Collections and Development Policy and Access Policy for the ROLLR, which are a requirement for archive accreditation and it has considered changes to plans for a new Archive, Collection and Learning Centre. The Committee:

- Raised concerns about limited storage availability at the current Records Office in Wigston, particularly for documents that needed to be stored in specific conditions and raised particular concerns about the risk to the Authority losing its accreditation.
- Was unanimous in its view that the preservation of records in an acceptable storage space with access for members of the public was essential.
- Challenged the merit of investing in maintaining the Wigston Records Office given the cost of this would be more than the capital value of the building itself.
- Requested that a scrutiny workshop be arranged to consider in more depth the Archives, Collection and Learning Centre and future delivery options. This Workshop is to be held in May, the outcomes of which will be reported to the Committee for further discussion.

## Nursing Care Provision in Leicestershire

The Committee requested a report on nursing care provision in Leicestershire, work undertaken with Leicester, Leicestershire and Rutland Integrated Care Board and funding levels in Leicestershire for people with complex care needs. The Committee:

- Considered the impact the lack of nursing home beds had both on the NHS and people waiting to leave hospital, as well as those waiting for treatment, and questioned how the situation could be improved. The Committee noted that funding was a critical factor and supported the Council's ongoing discussions with NHS colleagues to address this.
- Questioned how the Department was seeking to bring five nursing homes rated as 'Requires Improvement' up to 'Good' standard, noting the support provided by the Quality and Improvement Team to providers to get the rating levels uplifted.
- Supported the Director and the Cabinet in their approach to secure appropriate funding for nursing care services, in particular to redress the low level of funding for end-of-life care which severely disadvantaged residents living in Leicestershire.

## Budget and Demand Pressures

The Adults and Communities Department has worked through another challenging year due to rising costs, inflation, and demand pressures. The Committee:

- Raised concerns about the forecasted increase in the cost of social care over the next few years and challenged what was being done to seek additional money from Central Government. The Committee was disappointed to hear that despite discussions with the Department for Health and Social Care, additional funding was not considered likely.
- Heard about the impact the increase in the National Living Wage (NLW) would have on the Department's budget due to the majority of social care services being delivered by in excess of 17,000 care staff who were paid the NLW.
- Requested more information about unspent direct payments claimed back by the Council, the Committee being concerned that this might mean some were going without the care they needed. A report on this is planned for later this year.

## Social Care Investment Programme

The Committee considered the outcome of a review of the Council's Social Care Investment Programme. The Committee:

- Questioned the feasibility of the Council being able to deliver the Programme in the current economic climate.
- Noted with concern that Leicestershire had fewer extra care beds than other areas and that this was not seen as a real alternative to long-term care in the area.
- Recommended that the Council work in partnership with district councils as the local planning authorities, to ensure appropriate housing was being delivered in the right locations, and section 106 developer contributions secured to support delivery.

## Performance

The Committee has continued to monitor the performance of services across the Adults and Communities Department as well as look at complaints received. The Committee:

- Welcomed the continued reduction in the number of people waiting for social care assessment.
- Received assurance that the treatment pathway across Health and Social Care was being looked at and improvements made, through collaborative working with the NHS.
- Requested the Department investigate whether the low percentage of people who felt they had much social contact was as a result of keeping people in their own homes rather than in the care environment.

## Next Year...

The Committee will continue to monitor the impact of demand and cost pressures on the Departments budget, the preparations for the CQC inspection, and continued increase in inflation and cost of living pressures.





# Children and Families



This Committee scrutinises the services provided by the Children and Family Services Department to children, young people and families as well as education, special needs and safeguarding matters. Full details of the Committee's work can be found on the Council's [website](#).

## SEND and Inclusion

The Committee has continued to scrutinise the provision of SEND and Inclusion services and has:

- Monitored performance against delivery of the Transforming SEND and Inclusion in Leicestershire (TSIL) programme and challenged how this was addressing the budget deficit within the High Needs Block (HNB) of the Dedicated Schools Grant, acknowledging the significant challenges faced in meeting growing demand for support, rising costs, and a cumulative budget deficit within the HNB of the Dedicated Schools Grant.
- Heard from and questioned representatives of Newton Europe, specialist consultants appointed by the Council to aid its delivery of the TSIL programme.
- Raised concerns about the exceptionally high number of children and young people requiring an Education, Health and Care Plan (EHCP) in Leicestershire compared with other areas.
- Sought reassurance that data on Electively Home Educated (EHE) children was being analysed in order to understand the reasons behind the growing number of parents choosing to EHE.

## Admissions

The Committee requested and received an update on the Service challenges experienced during the 2022/23 admissions cycle. The Committee:

- Received a full performance breakdown of the year's outcomes, details of service and process improvements, and an overview of a consultation on the Council's Admissions Policy.
- Raised questions on the number of children who had not been allocated with a school place within appropriate time before the beginning of the academic year.
- Welcomed the proposal to increase the number of school preferences from three to five on the Leicestershire school application form.
- Raised concern that some children had been placed in schools which were a significant distance from their home, noting that this usually occurred due to lack of availability within the closest school if late or mid-term applications were received.

## Children's Innovation Partnership

The Committee requested an update on the progress of the Children's Innovation Partnership (with Barnardo's) with particular focus on the residential design brief element of the programme. The Committee:

- Welcomed confirmation that the first of the residential homes had opened but raised concerns about the time it took to set up such homes. The Committee received some reassurance that the remaining homes would be created over the next five years, which it was anticipated would reduce reliance on the private sector and reduce costs.

- Questioned but were assured that the financial business case for the programme was still viable, given the rise in costs to buy, adapt and thereafter maintain properties.
- Received assurance that the programme would address demand for Children and Family Services arising from demographic growth and an increased need for social care.

## Unaccompanied Asylum-Seeking Children

The Committee received reports on the budgetary and sufficiency challenges faced by the Department in supporting an increasing number of Unaccompanied Asylum-Seeking Children (UASC). The Committee:

- Received data on the number of UASC entering Leicestershire through the National Transfer Scheme, within Adult Asylum System Dispersal hotels, and as spontaneous arrivals.
- Raised concerns about the financial pressure faced and the resource required to meet the needs of UASC, and supported plans to continue to raise the issue of funding with Government to reduce the gap within the wider social care budget.
- Sought reassurance that UASC were placed in appropriate settings as soon as the Council became responsible for their care.

## Recruitment and Retention

The Committee requested an update on recruitment and retention pressures, including the Department's long-term strategy for addressing the challenges posed by agencies and the expected impact which national reviews into social care would have on delivering support to children and families. The Committee:

- Received assurance that exit interviews were conducted when staff were leaving the Service, in an attempt to understand their reasons for leaving so that any themes could be identified and issues addressed where possible.
- Was pleased to note that the Department would continue to ensure all newly qualified and agency staff would work alongside a qualified and experienced delivery mentor, would receive additional supervision and training days and would work with a reduced number of cases.
- Received assurance that internationally recruited social workers had or obtained relevant knowledge on UK social work practice and legislation before commencing employment.

## Performance

The Committee continued to monitor the performance of all services provided by the Children and Family Services Department throughout the year. In response, the Committee:

- Raised concern at the increase in children receiving at least one fixed term suspension but were assured that affected children and families would continue to be supported.
- Requested that a decrease in the number of eligible two-year-olds took up their Funded Early Education Entitlement (FEEE) be monitored.
- Was pleased to note that there had been an increase in the number of primary and secondary schools rated Good or Outstanding.

## Next year...

The Committee will continue to monitor the performance within SEND and Inclusion provision as a key priority and receive regular updates on the progress of the Transforming SEND and Inclusion in Leicestershire programme. The Committee will also receive an update on work being done to tackle sexual and criminal exploitation amongst children.



# Highways and Transport

This Committee scrutinises the Council's highways and transportation services. Full details of the Committee's work can be found on the Council's [website](#).

## The Budget and the Highways and Transportation Capital and Works Programme for 2024/25

The Committee commented on the Department's budget proposals taking account of the increased cost and growth pressures being faced. The Committee:

- Expressed concern at the level of growth forecasted, despite no growth being provided in areas such as highways maintenance. Members were concerned that growth was being dominated by increased demand in SEN Transport and so requested a specific update on this service area.
- Supported the change in strategy regarding future funding bids for Capital Programme projects, acknowledging that the Council could no longer bid for funding unless it could be demonstrated that the costs and match funding would be met without the need for additional Council resources.
- Supported changes to require inflation rates within planning agreements for developer contributions to increase in line with inflation.

## SEND Transport Services

The Committee has continued to monitor the performance of the Special Educational Needs Transport Service and looked at proposed actions to be taken over the next 12 months. The Committee:

- Emphasised that, as this was a national crisis, Government action was needed and endorsed the recommendations made by Council officers through the Association of Directors of Children's Services (ADCS) and the Association of Directors of Environment, Economy, Planning and Transport (ADEPT) to Government regarding the changes and improvements needed to both the SEN and SEND Transport system.
- Received assurance that rising demand was not forecast to flow through into Adult Social Care Transport, as there were different eligibility criteria for adults and they also had less need (not requiring transport to school each day).
- Highlighted the need for a joint strategic approach with the Children and Family Services Department which undertook Education and Health Care Plan (EHCP) assessments. The Committee were pleased to hear about the new approach to consider transport needs earlier in the EHCP process.
- Supported the continued delivery of a mixed inhouse and outsourced operation transport approach.

## Flooding

The Committee submitted its comments to the Cabinet on the Draft Leicestershire Local Flood Risk Management Strategy (LLFRMS) and also requested and received an update on the disruption caused to many parts of the County by Storm Henk. The Committee:

- Welcomed the new Strategy, which was timely, in light of recent flooding events in the County.
- Supported the proposed partnership approach with communities, commenting that helping residents to be flood aware would be an effective way of managing future events.
- Welcomed the online platform being developed by the Council which would provide a useful, single point of information and guidance for residents to access. However, in light of storm Henk, the Committee suggested that communication via leaflet dropping would also be helpful as many homes were without electricity for some time and so did not have access to digital means of communication.
- Encouraged the Department to consider flood warnings on mobile phones to help divert people living in the surrounding areas away from flooded roads which exacerbated problems.
- Was pleased to see that the Strategy addressed the issues and areas of concern raised by the Scrutiny Review Panel on flooding which had made 26 recommendations in total.
- Questioned how the impacts of new residential and commercial developments were managed to minimise future flooding, noting that the County Council was only a consultee and so could only make recommendations regarding flood risk management, such decisions resting with the district local planning authorities.
- Commended the staff involved in the aftermath of the storm for the excellent support provided to residents.

## Street Lighting

The Committee considered the outcome of the Council's consultation on dimming all streetlights to 30% from 8pm across the County, noting the concerns that had been raised by some members of the public regarding the proposals. The Committee:

- In light of public concerns about the prospect of increased crime, requested that officers develop a heat map to identify those locations where people reported feeling vulnerable as a result of the reduced lighting to enable this to be compared with data held by the office of the Police and Crime Commissioner.
- Recommended that officers consider the impact of tree coverage which might further reduce lighting in some areas. The Committee asked officers to liaise with colleagues responsible for tree maintenance so that if any issues were raised as part of the planned pilot, works could be considered to make improvements.
- Raised concerns regarding the possible impact of the proposals on vulnerable groups such as women and disabled people and requested sight of the Equalities Impact Assessment that had been carried out to ensure any areas identified were being addressed.

## Next year...

The Committee will continue to monitor performance, particularly regarding SEN Transport. It has requested a report on the Members Highway Fund and will consider the Leicestershire Highway Design Guide and Local Transport Plan (LTP4) before these are considered by the Cabinet.

The Committee will also look at the Leicestershire Electric Vehicle Charging Infrastructure Strategy and the next two Local Cycling and Walking Infrastructure Plans.



# Environment and Climate Change

This Committee scrutinises Waste Management Services and the Councils green agenda. Full details of the Committee's work can be found on the Council's [website](#).

## Local Nature Recovery Strategy and Responsible Authority Status

The Committee learnt about the new statutory duty that had been placed on local authorities in relation to Local Nature Recovery Strategies (LNRS), and of the appointment of the County Council as the 'responsible authority' for Leicestershire, Leicester and Rutland. The Committee:

- Was concerned to hear that government funding had only been provided for the first two years for the development of the LNRS and that further details regarding future funding were still awaited.
- Was pleased to hear that, whilst enhancing biodiversity was the main aim of the LNRS, there would be other environmental benefits such as tackling climate change, reduction of carbon emissions and improving air and river quality.
- Received assurance that improving the biodiversity of Country Parks would be an important part of the LNRS.
- Welcomed consultation with stakeholders to develop an Action Plan to underpin the LNRS, which would give further detail about the work to be undertaken and that farmers were being encouraged to move towards more sustainable farming practices.

## Air Quality

The Committee reviewed the progress made against actions within the Air Quality and Health Partnership Action Plan 2020-24 and the initial proposals for an updated plan for 2024-28. The Committee:

- Raised concerns that as of 2020, 14 Air Quality Management Areas in Leicestershire exceeded the Government's national air quality thresholds. The committee was also concerned about the high prevalence of asthma and viral wheeze cases in the under 15s in the South Wigston area. The Committee welcomed work being undertaken by the Council's Public Health service with University Hospitals of Leicester NHS Trust to explore if there was any correlation between areas with poor air quality and the prevalence of breathing issues.
- Reassured by proposals to design and invest in road schemes that would improve air quality by reducing congestion and pollution, and that health considerations would be included in the Local Highway Design Guide.
- Supported the decarbonisation of the Council's own fleet of vehicles where appropriate and welcomed the award of government funding to install more Electric Vehicle charging points in Leicestershire.
- Requested an update at a future meeting on the Air Quality Action Plan 2024-28.

## Tree Management

The Committee reviewed the work taking place under the Tree Management Strategy to manage the County Council's trees and woodlands. The Committee:

- Commended officers for their efforts in delivering the Tree Management Strategy, especially as targets for tree planting would be achieved two years ahead of schedule.
- Was pleased to hear that the County Council had been successful in attracting funding and planting trees by working in partnership with others, (local authorities, developers, and the National Forest), but raised concerns regarding the long term financial sustainability of the ambitious targets set considering the increased financial pressures faced.
- Raised concerns regarding the lack of clarity in the Strategy on timelines for maintenance and management of the trees but was reassured to hear that a financially sustainable risk-based approach would be adopted for scheduling tree inspections.

## Net Zero

The Committee reviewed progress made in delivering the Council's commitments to net zero and progress in delivering the aims and objectives of the Council's Environmental Strategy 2018-2030. The Committee:

- Commended officers for their achievements to date in working towards the Council's net zero targets.
- Expressed concern that an extension to the target dates by five years was proposed but understood the need to do so in light of the financial challenges faced by the Council.
- Requested a future report on the reprioritisation of activity under the revised net zero targets and welcomed a simplified and more accessible action plan being developed.
- Requested that Members' questions on the significant decline in the number of rivers of good chemical status be submitted to the Environment Agency and water companies to explore the reasons for this and proposed actions for remedy.
- Visited Croft Highways Depot with Members of the Highways and Transport Overview and Scrutiny Committee to view the new environmental scheme to clean oils, diesel and chemicals in water, as well as solid remnant waste, collected from Leicestershire's gullies.

## Performance

The Committee has continued to monitor the Council's performance in the delivery of its environmental and climate change targets. The Committee:

- Requested further detail on the process for monitoring key performance indicators, which were statutory or locally developed, who held responsibility for specific indicators and the frequency of monitoring noting that the annual compendium would detail the overall picture.
- Requested further details on the indicators that were performing in the third and fourth quartiles and how improvements would be made.
- Clarified the process for the collection of food waste and requested a report on Collection and Packing Reforms be presented to a future meeting.

## Next Year...

The Committee intends to receive further updates on the revised Environmental Net Zero priorities, collection and packaging reforms, disposal of domestic seating that contain persistent organic pollutants, Local Nature Recovery Strategy and continue its regular performance monitoring.



# Health

This Committee reviews and scrutinises matters relating to the planning, provision, and operation of health services in the County of Leicestershire. Full details of the Committee's work can be found on the Council's [website](#).

## Elective Care

The Committee has looked at the waiting lists for elective care procedures for Leicestershire patients and the actions being taken to reduce waiting lists. The Committee:

- Noted how much the waiting lists had grown during the Covid-19 pandemic but also that significant progress had been made in reducing the waiting lists since then.
- Sought further information regarding which specialties made up the majority of the waiting lists and the number of patients that had been waiting between 18 and 24 weeks.
- Gained reassurances that resources would continue to be invested in elective care waiting times and that recruitment was taking place for the East Midlands Planned Care Centre.

## Homeless Support Service

The Committee has scrutinised the County Council's proposals to cease funding a dedicated homeless support service and instead to provide support via the Council's existing public health services. The Committee:

- Welcomed the proposed use of Local Area Co-ordinators in the new model for homeless support.
- Heard from the Chief Executive of Falcon Support Services (who provided the dedicated homeless support service) regarding the impact of the decision to cease funding.
- Noted that the new model would support many more people than were currently supported through the Falcon Centre.
- Raised concerns that the £300,000 saving could be negated by an increase in demand for the service, and gained reassurances that capacity in the First Contact Plus team and Local Area Co-ordinators had been increased and therefore there was confidence that the demand could be managed.
- Gained assurances regarding how the County Council audited the provision of the services it commissioned.

## Winter pressures 2023/24

The Committee reviewed the plans of the health system to manage winter pressures across Leicestershire in 2023/ 2024. The Committee:

- Requested more data and evidence to help provide reassurance that targets would be reached.
- Welcomed the improvement in Ambulance handover times at Leicester Royal Infirmary Emergency Department.
- Learnt about the use of virtual wards which allowed people to be safely monitored from the comfort of their own home.
- Considered the discharge from hospital processes and the partnership working which was taking place to improve discharges and welcomed that County Council Social care staff were working on wards assessing people for discharge.

## Vaping

The Committee considered the work that was being carried out relating to vaping and young people in Leicestershire. The Committee:

- Raised serious concerns about the numbers of young people vaping in Leicestershire, particularly those that had started vaping without any previous smoking history, that selling vapes to children was illegal but giving them out for free was not.
- Emphasised that there needed to be a more strategic approach to tackle the problem of vaping supported by legislation and so wrote to all Leicestershire MPs asking for support in ensuring that the smokefree generation plans and legislation targeted equally, not just the smoking of tobacco, but vaping as well.
- Welcomed the Government's Smokefree Generation Programme and the funding that came with it, but noted that more needed to be done to reduce the appeal of vaping to young people and prevent children accessing vapes.

## Joint Heath Scrutiny

Health Overview and Scrutiny members have also taken part in meetings of the Leicestershire, Leicester and Rutland Joint Heath Scrutiny Committee and considered agenda items relating to Primary Care access, mental health services run by Leicestershire Partnership NHS Trust, maternity services, University Hospitals of Leicester NHS Trust's 'Our future hospitals programme' and the approach being taken to address workforce challenges across the health and care system.

## Next year

The Committee plans to look at the use of apprenticeships in the health system, the Non-Emergency Patient Transport Service, and return to the issue of Elective Care.



# In Depth Scrutiny Reviews

During the year, in light of proposed savings within the Medium Term Financial Strategy for 2023/24 – 2026/27 (MTFS) the Scrutiny Commissioners established two five member scrutiny review panels. One to look at the possible closure of some Recycling and Household Waste Sites and the other to look at the cessation of the SHIRE Community and Environment Grants. A summary of these reviews is set out below.

## Scrutiny Review Panel on Recycling and Household Waste Sites

The County Council's MTFS proposed a saving of £580,000 from the Recycling and Household Waste Sites (RHWS). The Scrutiny Commissioners appointed the Panel to test the assessment criteria applied to identify the sites for closure and to consider how the closures would impact residents for the future.

As well as the assessment criteria, the Panel reviewed the legislative background and national guidance relating to RHWS, the County Council's current service offer and budget for RHWS, and the savings that could be delivered through site closures.

The Panel made several recommendations but overall supported the criteria to be applied to prioritise sites for closure and the proposal to consult on the possible closure of sites at Shepshed, Somerby, and Market Harborough. The Panel recommended that the proposed closures of the Lutterworth and Bottesford RHWS be reconsidered.

## Scrutiny Review Panel on SHIRE Community and SHIRE Environment Grant Programmes

The MTFS proposed a saving by ceasing delivery of the SHIRE Community and Environment Grant programmes. The Scrutiny Commission established the Panel to consider the impacts and value for money achieved through the grants programmes, examine the profile of past and current recipients and key metrics, and the potential impact of the discontinuation of both grant programmes.

The Panel heard from departmental officers regarding the impact and value for money of the grants programmes and investment into the local Voluntary, Community and Social Enterprise (VCSE) sector, and how the grant schemes supported the achievement of departmental strategic objectives. It welcomed feedback from VCSE organisations (including SHIRE Grant beneficiaries) regarding the impact of SHIRE Grants, how grant investment supported delivery of community-based projects, services and activities and examined Case Studies which helped to demonstrate the impacts and outcomes achieved via SHIRE Grant funding.

The Panel raised concerns regarding the costs of administering the schemes, the allocation of grant funding to certain organisations, the use of funding and the number of repeat grants awarded in some cases.

By majority the Panel recommended that the operation of the grant programmes be supported to continue during the 2023/24 financial year with reduced budgets but that the grants thereafter be ceased, the County Council, however, continuing to provide advice, guidance and signposting to VCSE organisations requiring funding. It also recommended a change in the criteria for awarding SHIRE Community Grants during the 2023/24 financial year to provide grants only to small voluntary and community groups.

# Overview and Scrutiny

## Members

<b>Scrutiny Commission</b>	<a href="#"><u>Michael Mullaney CC (Chairman)</u></a>	<a href="#"><u>Tony Gillard CC</u></a>
	<a href="#"><u>Tom Barkley CC</u></a>	<a href="#"><u>Amanda Hack CC</u></a>
	<a href="#"><u>Mark Frisby CC</u></a>	<a href="#"><u>Jonathan Morgan CC</u></a>
	<a href="#"><u>Hilary Fryer CC</u></a>	<a href="#"><u>Rosita Page CC</u></a>
	<a href="#"><u>Simon Galton CC</u></a>	<a href="#"><u>James Poland CC</u></a>
		<a href="#"><u>Terry Richardson CC</u></a>
<b>Adults and Communities</b>	<a href="#"><u>Terry Richardson CC (Chairman)</u></a>	<a href="#"><u>Nick Chapman CC</u></a>
	<a href="#"><u>Bill Boulter CC</u></a>	<a href="#"><u>Leon Hadji-Nikolaou CC</u></a>
	<a href="#"><u>Barry Champion CC</u></a>	<a href="#"><u>Jewel Miah CC</u></a>
<b>Children and Families</b>	<a href="#"><u>Hilary Fryer CC (Chairman)</u></a>	<a href="#"><u>Max Hunt CC</u></a>
	<a href="#"><u>Mark Frisby CC</u></a>	<a href="#"><u>Sue Jordan CC</u></a>
	<a href="#"><u>Fula (Kamal) Ghattoraya CC</u></a>	Canon Carolyn Lewis (Church of England Representative)
	<a href="#"><u>Leon Hadji-Nikolaou CC</u></a>	Robert Martin (Parent Governor)
	<a href="#"><u>Ross Hills CC</u></a>	
<b>Highway and Transport</b>	<a href="#"><u>Tony Gillard CC (Chairman)</u></a>	<a href="#"><u>Bryan Lovegrove CC</u></a>
	<a href="#"><u>Richard Allen CC</u></a>	<a href="#"><u>Keith Merrie MBE CC</u></a>
	<a href="#"><u>David Bill MBE, CC</u></a>	<a href="#"><u>Les Phillimore CC</u></a>
	<a href="#"><u>Amanda Hack CC</u></a>	
<b>Environment and Climate Change</b>	<a href="#"><u>Mark Frisby CC (Chairman)</u></a>	<a href="#"><u>Dan Harrison CC</u></a>
	<a href="#"><u>Bill Boulter CC</u></a>	<a href="#"><u>Max Hunt CC</u></a>
	<a href="#"><u>Nick Chapman CC</u></a>	<a href="#"><u>Rosita Page CC</u></a>
	<a href="#"><u>Brenda Seaton CC</u></a>	
<b>Health</b>	<a href="#"><u>Jonathan Morgan CC (Chairman)</u></a>	<a href="#"><u>Betty Newton CC</u></a>
	<a href="#"><u>Michael Charlesworth CC</u></a>	<a href="#"><u>Trevor Pendleton CC</u></a>
	<a href="#"><u>Dan Harrison CC</u></a>	<a href="#"><u>Brenda Seaton CC</u></a>
	<a href="#"><u>Ross Hills CC</u></a>	

# The Overview and Scrutiny Team

If you would like to feed into the scrutiny process or suggest a topic for scrutiny's attention, you can get in touch with the Scrutiny Team at [democracy@leics.gov.uk](mailto:democracy@leics.gov.uk).

Alternatively, you can contact the officer that supports a specific Committee as detailed below.

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**Leicestershire County Council Overview and Scrutiny Annual Report 2023/24**

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Democratic Services

Chief Executive's Department

Leicestershire County Council

For further details on the contents of this report please email: [democracy@leics.gov.uk](mailto:democracy@leics.gov.uk)

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