

Meeting	<b>CABINET</b>
Time/Day/Date	5.00 pm on Tuesday, 10 November 2015
Location	Board Room, Council Offices, Coalville
Officer to contact	Democratic Services (01530 454512)

All persons present are reminded that the meeting may be recorded and by attending this meeting you are giving your consent to being filmed and your image being used. You are kindly requested to make it known to the Chairman if you intend to film or record this meeting.

The Monitoring Officer would like to remind members that when they are considering whether the following items are exempt information under the relevant paragraph under part 1 of Schedule 12A of the Local Government Act 1972 they must have regard to the public interest test. This means that members must consider, for each item, whether the public interest in maintaining the exemption from disclosure outweighs the public interest in making the item available to the public.

## AGENDA

Item	Pages
<b>1. APOLOGIES FOR ABSENCE</b>	
<b>2. DECLARATION OF INTERESTS</b>	
Under the Code of Conduct members are reminded that in declaring disclosable interests you should make clear the nature of that interest and whether it is pecuniary or non-pecuniary.	
<b>3. PUBLIC QUESTION AND ANSWER SESSION</b>	
<b>4. MINUTES</b>	
Minutes of the meeting held on 20 October 2015	<b>3 - 6</b>
<b>5. PROPOSED LEICESTER AND LEICESTERSHIRE COMBINED AUTHORITY</b>	
Report of the Chief Executive Presented by the Leader	<b>7 - 82</b>



<b>6.</b>	<b>NEW BUILD PROPOSALS FOR COUNCIL HOUSING</b>	
	Report of the Director of Housing Presented by the Housing Portfolio Holder	<b>83 - 188</b>
<b>7.</b>	<b>2015/16 QUARTER 2 PERFORMANCE MANAGEMENT REPORT</b>	
	Report of the Chief Executive Presented by the Leader	<b>189 - 208</b>
<b>8.</b>	<b>MINUTES OF THE COALVILLE SPECIAL EXPENSES WORKING PARTY</b>	
	Report of the Director of Services Presented by the Community Services Portfolio Holder	<b>209 - 218</b>

Circulation:

Councillor R D Bayliss  
Councillor R Blunt (Chairman)  
Councillor T Gillard  
Councillor T J Pendleton  
Councillor N J Rushton  
Councillor A V Smith MBE

MINUTES of a meeting of the CABINET held in the Board Room, Council Offices, Coalville on TUESDAY, 20 OCTOBER 2015

Present: Councillor R Blunt (Chairman)

Councillors R D Bayliss, T Gillard, T J Pendleton and A V Smith MBE

In Attendance: Councillors R Adams, D Everitt, T Eynon, D Harrison, G Houlton, R Johnson, J Legrys and S McKendrick

Officers: Mr S Bambrick, Ms C E Fisher, Mr D Gill, Mr G Jones, Mrs M Meredith and Miss A Wright

Councillor R Blunt welcomed Councillor S McKendrick as the new leader of the Labour Group.

#### **40. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor N J Rushton.

#### **41. DECLARATION OF INTERESTS**

Councillor A V Smith declared a non-pecuniary interest in item 6, Procurement Strategy, due to a previous business relationship between her business and the Council.

#### **42. PUBLIC QUESTION AND ANSWER SESSION**

There were no questions received.

#### **43. MINUTES**

Consideration was given to the minutes of the meeting held on 22 September 2015.

Councillor R Blunt read out a letter he had received from Councillor R Johnson in relation to the minutes. He reminded members that the minutes were a summary of the meeting rather than a verbatim account, however for the sake of clarity, the notes of the Democratic Services Officer had been consulted, which stated that Councillors N J Rushton and T J Pendleton said that Planning Committee do not always follow officer recommendations. He moved that this sentence be added to the minutes.

Councillor T J Pendleton accepted this comment and added that his remarks were made with reference to all political spectrums.

It was moved by Councillor R Blunt, seconded by Councillor T J Pendleton and

RESOLVED THAT:

Subject to the above amendment, the minutes of the meeting held on 22 September 2015 be approved and signed by the Chairman as a correct record.

Reason for decision: To comply with the Constitution.

#### **44. HOUSING ASSET MANAGEMENT STRATEGY**

Councillor R D Bayliss presented the report to members, drawing their attention to the comments of the Policy Development Group at Appendix B, and the comments from the

tenant groups at Appendix A, which had been taken into account. He advised that the strategy also took into account the budget statement made by the Chancellor of the Exchequer in July and the fact that building costs were higher than the consumer price index. He reiterated the Council's commitment to maintaining the decent homes standard over the period of the business plan and also the policy to provide new social housing. He highlighted the energy policy and the various green initiatives as outlined in the report.

Councillor R Blunt commented that the Council could be proud of the housing department and he hoped to see a step change in bringing social housing to the area.

It was moved by Councillor R D Bayliss, seconded by Councillor R Blunt and

RESOLVED THAT:

The contents of the report be noted, and the 2015-2020 HRA Asset Management Strategy be approved.

Reason for decision: To seek approval from Cabinet for the 2015-2020 HRA Asset Management Strategy.

#### **45. PROCUREMENT STRATEGY**

The Financial Services Team Manager presented the report to members. She advised that the Procurement Strategy had been presented to Policy Development Group, and their comments had been taken on board in the action plan.

It was moved by Councillor R Blunt, seconded by Councillor T J Pendleton and

RESOLVED THAT:

- a) The Procurement Strategy be approved taking into account comments from the Policy Development Group; and
- b) Authority be delegated to the Head of Finance, in consultation with the Corporate Portfolio Holder, to make any minor and consequential amendments to the Procurement Strategy resulting from changes in legislation and practical circumstances (e.g. restructures).

Reason for decision: To formally approve an updated Procurement Strategy which is in line with the Public Contracts Regulations 2015 and the National Procurement Strategy for Local Government.

#### **46. REVIEW OF CORPORATE GOVERNANCE POLICIES**

Councillor A V Smith presented the report to members, reminding them that the Council was responsible for ensuring its business was conducted in accordance with the law and appropriate standards. She explained that the corporate governance policies had been reviewed to ensure that they remained fit for purpose, reflected current legislation and best practice. She added that both policies required updating. She advised that the policies were presented to Audit and Governance Committee which had provided comments for consideration by Cabinet. She added that no changes were proposed as a result of the comments made.

It was moved by Councillor A V Smith, seconded by Councillor T J Pendleton and

RESOLVED THAT:

- a) The Anti-Fraud and Corruption Policy be approved taking into account comments from the Audit and Governance Committee;
- b) The Anti-Money Laundering Policy be approved; and
- c) Authority be delegated to the Head of Finance, in consultation with the Corporate Portfolio Holder, to make any minor and consequential amendments to the Anti-Fraud and Corruption Policy or the Anti-Money Laundering Policy resulting from changes in legislation and practical circumstances (e.g. restructures).

Reason for decision: To formally approve the Council's updated Anti-Fraud and Corruption Policy and Anti-Money Laundering Policy.

The meeting commenced at 5.00 pm

The Chairman closed the meeting at 5.12 pm

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**NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL**

**CABINET – 10 NOVEMBER 2015**

Title of report	<b>PROPOSED LEICESTER AND LEICESTERSHIRE COMBINED AUTHORITY</b>
Key Decision	a) Financial Yes b) Community Yes
Contacts	Councillor Richard Blunt 01530 454510 <a href="mailto:richard.blunt@nwleicestershire.gov.uk">richard.blunt@nwleicestershire.gov.uk</a>  Chief Executive 01530 454500 <a href="mailto:christine.fisher@nwleicestershire.gov.uk">christine.fisher@nwleicestershire.gov.uk</a>
Purpose of report	To seek Cabinet’s approval to support the County-wide proposal to create a Combined Authority for Leicester and Leicestershire and delegate authority to the Chief Executive in consultation with the Leader to agree ancillary matters to bring this into effect.
Reason for Decision	To ensure North West Leicestershire District Council can benefit with the other local authorities in Leicestershire, from increased autonomy and funding to support strategic economic, transport and planning decisions.
Council Priorities	Business and Jobs Homes and Communities
Implications:	
Financial/Staff	The costs of the Combined Authority shall be met by the Constituent Authorities. Further work on the budget for the Combined Authority will be undertaken in consultation with the Section 151 Officers of the Constituent Authorities.
Link to relevant CAT	None
Risk Management	The body of the report addresses the risks associated with the proposed Combined Authority.
Equalities Impact Screening	Not completed.
Human Rights	No discernible impact.

Transformational Government	By working together with the other Leicestershire authorities, we will secure more robust strategic decision making on important cross border issues and will be better positioned to take advantage of future devolution opportunities.
Comments of Head of Paid Service	Report is satisfactory
Comments of Deputy Section 151 Officer	Report is satisfactory
Comments of Monitoring Officer	Report is satisfactory
Consultees	A public consultation has been conducted by Leicestershire County Council, the results are summarised in this report.  Economic Growth Board – 5 November 2015
Background papers	<a href="#">Initial Combined Authority proposal submitted to the Secretary of State on 3 July 2015</a>  <a href="#">Local Democracy, Economic Development and Construction Act 2009</a>  <a href="#">Cities and Local Government Devolution Bill</a>
Recommendations	<b>THAT COUNCIL BE RECOMMENDED TO:</b>  <b>1. APPROVE THE SCHEME FOR THE COMBINED AUTHORITY;</b>  <b>2. APPROVE THE GOVERNANCE REVIEW;</b>  <b>3. AUTHORISE THE PUBLICATION OF THE SCHEME AND ITS SUBMISSION TO THE DEPARTMENT FOR COMMUNITIES AND LOCAL GOVERNMENT;</b>  <b>4. AUTHORISE THE CHIEF EXECUTIVE, FOLLOWING CONSULTATION WITH THE LEADER, TO MAKE ANY FINAL AMENDMENTS TO THE SCHEME AND GOVERNANCE REVIEW PRIOR TO THEIR SUBMISSION TO THE DEPARTMENT FOR COMMUNITIES AND LOCAL GOVERNMENT IN DECEMBER 2015 OR JANUARY 2016;</b>  <b>5. AUTHORISE THE CHIEF EXECUTIVE, FOLLOWING CONSULTATION WITH THE LEADER, TO ENTER INTO</b>



	<p><b>DISCUSSIONS WITH THE DEPARTMENT FOR COMMUNITIES AND LOCAL GOVERNMENT AND SUCH OTHER GOVERNMENT DEPARTMENTS AND OTHER PERSONS AS ARE CONSIDERED NECESSARY BY THE CHIEF EXECUTIVE TO AGREE THE TERMS OF THE ORDER ESTABLISHING THE COMBINED AUTHORITY AND TO APPROVE THE FINAL FORM OF THE ORDER ON BEHALF OF THE DISTRICT COUNCIL; AND</b></p> <p><b>6. AUTHORISE THE CHIEF EXECUTIVE, FOLLOWING CONSULTATION WITH THE LEADER:</b></p> <p><b>(I) TO NEGOTIATE, AGREE AND EXECUTE ALL ANCILLARY DOCUMENTS IN SUPPORT OF THE OPERATION OF THE COMBINED AUTHORITY, INCLUDING (WITHOUT LIMITATION) THE CONSTITUTION OF THE COMBINED AUTHORITY; AND</b></p> <p><b>(II) TO TAKE ALL DECISIONS AND ACTIONS NECESSARY TO ENABLE THE ESTABLISHMENT OF THE COMBINED AUTHORITY.</b></p>
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**1.0 BACKGROUND**

- 1.1 All nine councils in Leicester and Leicestershire have a strong record of working together and with business and other partner organisations to deliver economic growth. There are numerous examples of effective partnership working, particularly through the Leicester and Leicestershire Enterprise Partnership which has a positive track record of delivery.
- 1.2 The nine councils firmly believe they can build upon their successes by strengthening and formalising partnership arrangements through the creation of a Leicester and Leicestershire Combined Authority. In particular, this would allow more opportunity to work closely with government and the Leicester and Leicestershire Enterprise Partnership to enhance their collective impact on economic growth in the area.
- 1.3 The nine Councils in Leicester and Leicestershire (the “Constituent Councils”) submitted a proposal to the Secretary of State for Communities and Local Government on 3 July 2015. This outlined the scope of the Combined Authority and has formed the basis of the actions taken since, outlined below.
- 1.4 All Executives and full Councils of the Constituent Councils are considering similar versions of this report.

**2.0 CURRENT ARRANGEMENTS**

- 2.1 The Constituent Councils have a strong commitment to joint working and working with business and other partner organisations to deliver economic growth. The Governance Review explores the details of current arrangements and their successes.

- 2.2 Notwithstanding the positive outcomes from the current informal arrangements, the lack of formal, cohesive decision making between all the Constituent Councils on matters of strategic importance exposes the potential for growth to risks. Primarily, the current arrangements are not sufficient for the ambitions of the area in terms of long term funding commitments for transport investment and devolution of funding. Nor do they provide for the ability to commission skills programmes locally and manage growth within the area by demonstrating a stronger level of agreement (i.e. the Duty to Co-operate under the Localism Act 2011).

### **3.0 LEGAL BACKGROUND**

*The Local Democracy, Economic Development & Construction Act 2009 (the “2009 Act”)*

- 3.1 The 2009 Act sets out the statutory process for the creation of a Combined Authority. A Combined Authority is a public body with its own legal personality created by existing local authorities in an area, but is not a merger of those authorities.
- 3.2 A Combined Authority Order can be made for an area which meets the following conditions:
- (i) it consists of the whole of two or more council areas in England;
  - (ii) no part of the area is separated from the rest of the Combined Authority by a non-constituent council (e.g. Leicester and Leicestershire could not be a combined authority area with Nottingham City because Nottinghamshire would be between the two areas);
  - (iii) the Combined Authority area does not surround a non-constituent council (e.g. Leicestershire could not form a combined authority without Leicester);
  - (iv) no part of the area is part of another combined authority, economic prosperity board or integrated transport area (this does not apply to non-constituent membership of another combined authority);
  - (v) all parts of the area were included in the scheme prepared and published;
  - (vi) all Councils in the area must consent (including two-tier area, where the County and Districts must agree).
- 3.3 Prior to submitting a proposal to the Secretary of State, Councils must conduct a governance review of their area, prepare a draft scheme meeting the conditions set out in the 2009 Act and then publish and consult on the proposals.

*The Cities and Local Government Devolution Bill (the “Bill”)*

- 3.4 If passed, the Bill proposes to broaden the scope of powers that it is possible to confer on a combined authority, beyond those related to economic development, strategic planning and transport. It will make it possible for the Secretary of State to transfer functions from an existing public authority (a Minister of the Crown or Government Department, but not a

County or District Council) to a combined authority. In addition, the Secretary of State will have power to confer on a combined authority the general power of competence, which the Council enjoys under the Localism Act 2011.

- 3.5 The Bill makes changes to governance structures for combined authorities by enabling the Secretary of State to make a statutory order to 'provide for there to be a mayor for the area of a combined authority'. However, the Minister has explained that this will not be used by the Secretary of State as a condition for agreeing to the transfer of local authority or public authority functions.
- 3.6 At present it is not known what the final changes to the Bill will be and when those changes will be brought into force, however the intention is that the Bill achieves Royal Assent by the end of 2015. The Leicester and Leicestershire Combined Authority Scheme and proposals set out in this report are therefore based on existing legislation, rather than the Bill.

#### **4.0 GOVERNANCE REVIEW AND SCHEME**

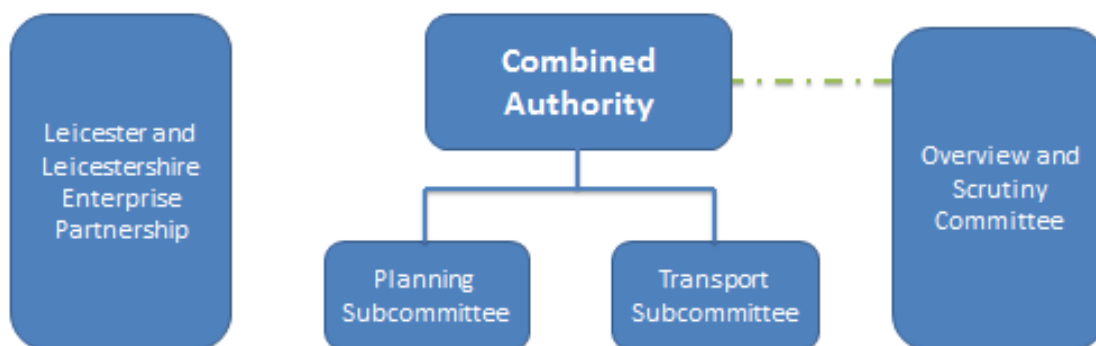
##### *Governance Review*

- 4.1 The Governance Review is an assessment of:
- (i) the effectiveness and efficiency of transport within the review area; and
  - (ii) the effectiveness and efficiency of arrangements to promote economic development and regeneration within the review area.
- 4.2 The Governance Review, attached as Appendix 1 to this report, was undertaken by the Constituent Councils during August and September 2015. The findings of the review are clear that the best governance model to enable economic and transport improvements in the local area is a combined authority.
- 4.3 The benefits of the combined authority model include the provision of a simple means of fully aligning and coordinating transport planning and wider economic development and regeneration, including strategic planning, across a sub-region. This would enable economic development and regeneration and transport initiatives to be aligned, co-ordinated, and delivered swiftly and efficiently by a single body.
- 4.4 The Combined Authority will also enable a shared understanding about Leicester and Leicestershire as a single economic area across the Constituent Councils and will create a strategic framework for economic development and transport which will ensure consistency in local decision making. It will also increase the control and influence of the Constituent Councils across the key drivers of economic growth.
- 4.5 The Governance Review considered alternatives to having a combined authority; for example that the Constituent Councils could continue to work together as they are, or form a joint committee, or an economic prosperity board. However, as analysed in the Governance Review, none of these options would give the full benefits of a combined authority. This is shown in the table below:-

Option	Evaluation
Maintain the Status Quo	Maintaining the status quo would mean difficulties in accessing new funding and powers in line with the ambitions of the area. It would leave Leicester and Leicestershire behind other areas and would therefore be likely to have a detrimental impact on the economy of the area in the future. It would not strengthen the governance processes which largely rely on informal arrangements.
Joint Committee	The establishment of a Joint Committee would strengthen the current partnership arrangements and place them on a more formal basis. However, there is a lack of stability and certainty which is unlikely to secure long term funding commitments. In addition, the lack of legal status and financial accountability means that the same difficulties in accessing new funding and powers presented by status quo are likely to be encountered.
Economic Prosperity Board	An Economic Prosperity Board would provide strategic direction and accountability for economic development and regeneration and would ensure that a single formal decision-making body was in place for this. However, strategic transport would not be included in these arrangements, thus greatly limiting the scope for increased effectiveness and efficiency.
Combined Authority	A Combined Authority with devolved funding would create a clear and effective platform for accelerating economic prosperity in Leicester and Leicestershire through the creation of integrated, strategic frameworks to enable the delivery of investment plans for planning, transport and skills.

*Draft Scheme*

- 4.6 The Scheme is attached as Appendix 2 to this report. It will form the basis for the Order made by the Secretary of State. Part 1 of the Scheme clarifies arrangements relating to membership, voting, and scrutiny.
- 4.7 The Scheme is based on a concurrent powers model with no transfer of existing powers. No Constituent Council is ceding existing functions to the Combined Authority. This is consistent with established and emerging combined authorities.
- 4.8 The diagram below sets out a proposed governance model for the Combined Authority:-



As the Combined Authority will be a form of local authority in its own right, it will be able to form committees and subcommittees in the same way a Constituent Council would, but could only delegate decisions which the Combined Authority itself could make. The above is a proposed model only and the number and purpose any subcommittees would be subject to agreement between the Constituent Authorities and included in the Combined Authority's Constitution.

- 4.9 Each of the nine Constituent Councils will appoint a full voting member of the Combined Authority, with the Chair of the LLEP being a non-voting Member.
- 4.10 Each Constituent Council will appoint elected members to the joint Overview and Scrutiny Committee as are required to achieve political balance across the area of the Combined Authority. Members of the Overview and Scrutiny Committee cannot also be members of the Combined Authority itself, or a member of the Executive of a Constituent Council. Government advises that the Chairman of the Overview and Scrutiny Committee should not be a member of the major political party represented on the Combined Authority. This has been carried through into the current version of the Cities and Local Government Devolution Bill.
- 4.11 The role of the Overview and Scrutiny Committee will be to review and scrutinise decisions or other actions taken by the Combined Authority, through inviting the relevant members or officers to attend meetings and to make reports or recommendations to the Combined Authority. Further details are included in the Scheme.
- 4.12 Part 2 of the Scheme sets out the powers and duties of the proposed Combined Authority and gives examples of how it might utilise them. In summary, these are:
  - (i) **Planning:** Councils working together to agree a clearer, long-term framework to meet future housing and employment needs for the whole area and identify future growth locations.
  - (ii) **Transport:** focussing on long-term investment in road, rail and other public transport infrastructure.
  - (iii) **Skills:** setting the strategic direction for making improvements in skills and training, to give local people the chance to get better qualifications and employment.

- 4.13 Following consultation, part 2 of the Scheme has been updated to remove skills devolution from central Government. This is part of the devolution bid that has been submitted and will be pursued separately to the establishment of the Combined Authority.

## **5.0 CONSULTATION**

- 5.1 Stakeholder and public engagement was undertaken between 21 September and 20 October 2015 to establish the level of support for the Scheme and findings of the Governance Review. This involved a survey of residents, staff and stakeholders, but also included the invitation to submit views by letter or email. The survey was made available on the council website from 21 September 2015. This was accompanied by supporting information which set out the proposals in more detail.
- 5.2 260 responses were received through the Combined Authority consultation. An analysis of the responses is attached as Appendix 3 to this report.
- 5.3 There was a high level of support for establishing a Combined Authority with 68.8% of respondents either 'strongly agreeing' or 'tending to agree' that, to enable economic and transport improvements, a combined authority is the best governance model for Leicester and Leicestershire, on the basis that it would avoid duplication and provide value for money. They also commented that it would improve co-ordination between authorities. Those respondents that either 'tended to disagree' or 'strongly disagreed' with the statement expressed concerns about losing local accountability and highlighted the differences between the city and the county.
- 5.4 There was a similar level of support for the proposed functions of the Combined Authority with 71% of respondents either 'strongly agreeing' or 'tending to agree' that the proposed functions are appropriate, commenting that they are key issues affecting the whole of the Combined Authority area. Just over a fifth of respondents did not support the proposed functions, again expressing concerns that local accountability would be lost.
- 5.5 The supportive nature of the responses to the consultation enables the Constituent Councils to proceed on the basis set out at the start of the consultation period. However, it will be important for the constitution of the Combined Authority to ensure that local accountability is retained through the new structures. The constitution should also include a process for the resolution of disputes.
- 5.6 The responses received through the consultation proceed will also feed into the work of the Combined Authority once established.

## **6.0 BENEFITS OF A COMBINED AUTHORITY FOR NORTH WEST LEICESTERSHIRE**

- 6.1 In summary, it is officers' view that the following represents the economic case for North West Leicestershire pursuing a Combined Authority:
- (i) The District has prospered in recent times as a result of strong demand for employment land and new housing;

- (ii) The District lies within the 'golden triangle', with exceptional juxtaposition of road, rail and air facilities, making the area very attractive to businesses, particularly in logistics and distribution; and
- (iii) The area is at the heart of the National Forest and provides an exceptional quality of life.

6.2 However:

- (i) Local businesses are struggling to find the right number of employees with the right skills;
- (ii) Local employees are finding it difficult to physically access new jobs;
- (iii) Major economic growth planning is not done most sensibly at district level: the market economy does not respect district boundaries; and
- (iv) National policies and funding are failing to address local skills needs: the system is too slow and does not reflect local need.

6.3 What could a Combined Authority offer to North West Leicestershire?

- (i) Aligned with the Strategic Economic Plan and statutory Local Plans the Strategic Growth Plan will provide certainty over planning and delivery;
- (ii) There would be more coordination and co-operation on the planning of land use, transportation and skills development within a clear decision-making framework;
- (iii) Speaking with a strong, single, collective voice will demonstrate strength and confidence, supporting applications for central government funding;
- (iv) Decisions taken within the Combined Authority would be binding (stronger than the partnership model in place now);
- (v) There will be a formal framework which will assist the assessment of major development proposals – one point of call, one response;
- (vi) Genuinely strategic decision-making which understands 'the bigger picture' and the role of Leicester and Leicestershire within a national and global context;
- (vii) Understanding the bigger picture will allow us to identify the need for a plan for major infrastructure projects;
- (viii) Local business will be able to benefit from consistent support across the wider area and benefit from accelerated growth in the local economy;
- (ix) Environmental assets will be conserved and enhanced creating the 'soft' conditions for high skills, high GVA employment opportunities;
- (x) Understanding demographics across a wider field will help to identify potential new growth sectors (e.g. ageing population and the care industry); matching skills, housing

and jobs;

- (xi) Some actions (e.g. major infrastructure) cannot be planned at the local level;
- (xii) We can build skills for the future: target skills funding at growth sectors, the highest value jobs, and at sections of the population that can become more economically active, e.g. women; and
- (xiii) The authority veto would mean that decisions are not made if they are not supported by the 'host' district.

## **7.0 RESOURCES**

- 7.1 Over the last four years, there have been significant reductions in the Government's funding of local authorities. Reductions in local government have been higher than in other parts of the public sector. It is therefore imperative that all future governance models are efficient and reduce duplication and waste wherever possible.
- 7.2 The costs of the Combined Authority that are reasonably attributable to the exercise of its functions relating to economic development and regeneration (and any start up costs) will be met by the Constituent Councils. These will be identified in more detail in due course.
- 7.3 The Combined Authority will agree an annual budget for the purpose of this expenditure to enable it to develop and implement the following:
  - (i) a joint economic vision for the area of the Combined Authority;
  - (ii) a strategic growth plan looking to 2050 for the area of the Combined Authority;
  - (iii) a strategic asset management plan;
  - (iv) a single strategic transport master plan for the area of the Combined Authority and associated transport infrastructure investment strategy;
  - (v) a long term investment strategy for the Combined Authority area; and
  - (vi) a growth deal framework.
- 7.4 The costs relating to the Combined Authority shall be met by the Constituent Councils. The budget for the Combined Authority will be the subject of further detailed work in consultation with the Section 151 Officers from the Constituent Councils.
- 7.5 The staffing and servicing arrangements for the Combined Authority will need to be agreed between the Constituent Councils, which will be supported by a number of supporting contractual arrangements between those parties. These will need to be negotiated and agreed while the DCLG is considering the draft Scheme and preparing the Order.



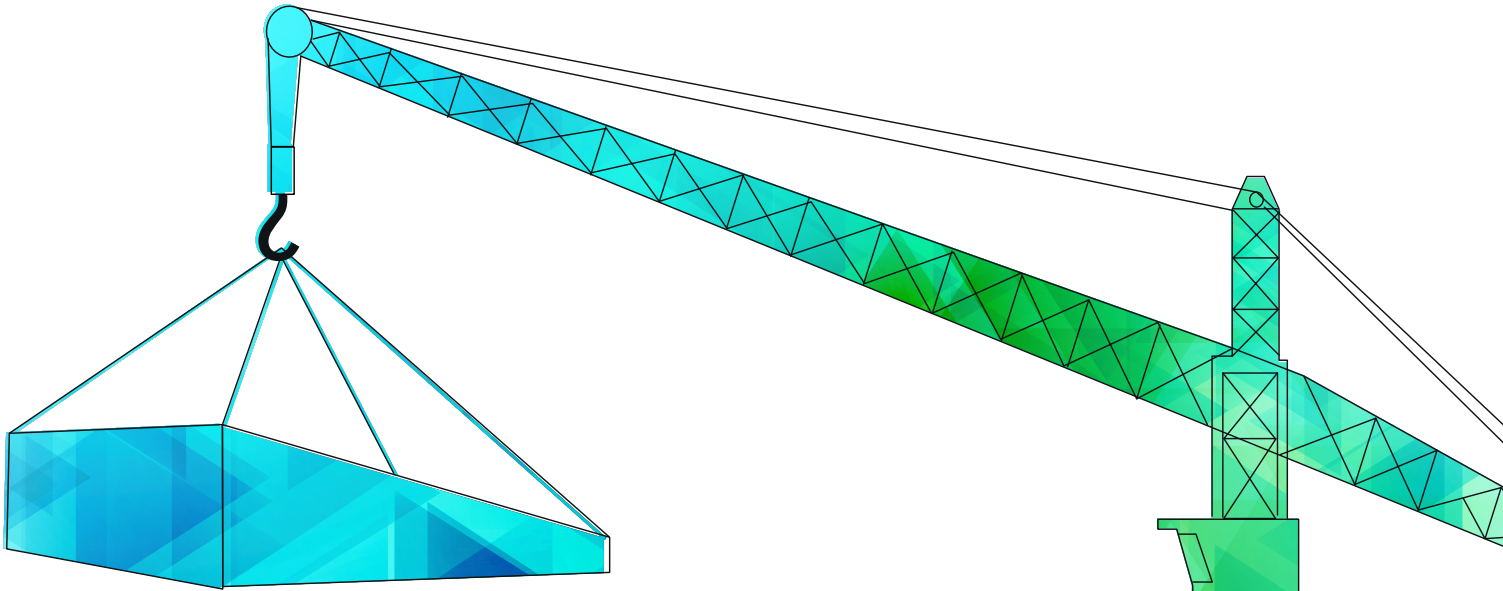
## **8.0 NEXT STEPS**

- 8.1 If Cabinet agrees with the recommendations, Council will consider the Combined Authority proposal at their meeting on 17 November 2015. All Councils in Leicester and Leicestershire are following a similar process during November and December. The Leicester and Leicestershire Enterprise Partnership Board will be considering the Combined Authority at its meeting on 26 November 2015.
- 8.2 If all Constituent Councils agree, the Governance Review and Scheme will be submitted to the DCLG in December 2015 or January 2016. The DCLG will consider the Scheme and if approved will conduct a second period of consultation and draft an Order to create the Combined Authority, before laying this before Parliament. It is hoped that the Order will be made law in October 2016. Officers will work with the DCLG throughout this process.
- 8.3 In the meantime, officers of the Constituent Councils will work together to agree the practical, legal and operational arrangements for the Combined Authority, expanding upon the governance principles outlined in the Scheme. The documentation will include a full Constitution and Standing Orders for the Combined Authority, agreements between the Constituent Councils in relation to resourcing the Combined Authority and any other necessary arrangements.

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# Leicester Leicestershire

Delivering Growth Together

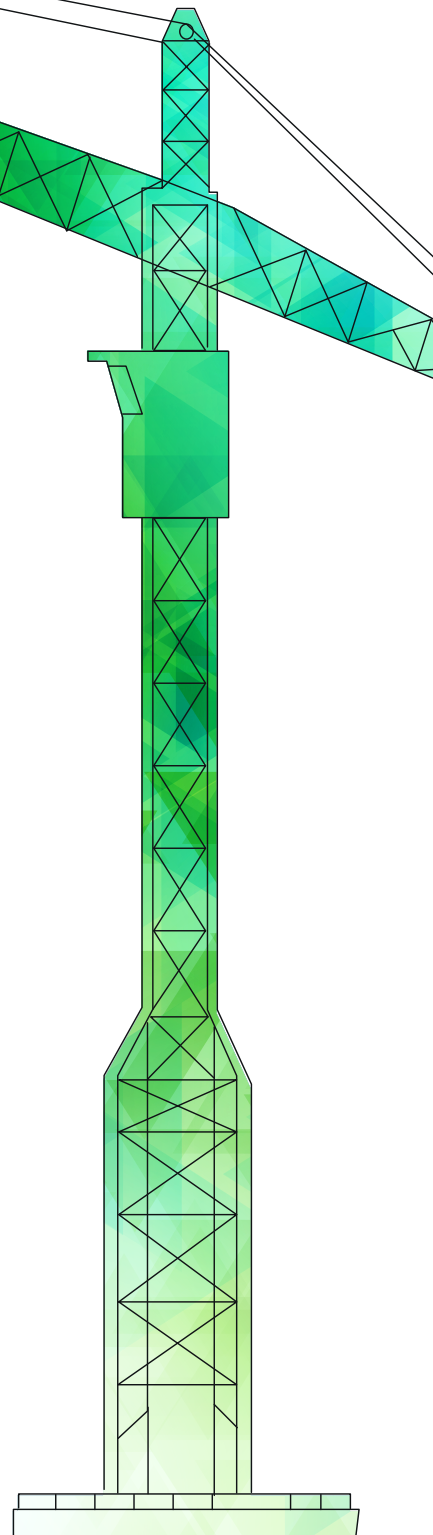


## Draft Governance Review

for the Leicester and Leicestershire  
Combined Authority



for consultation purposes



# 1. Introduction

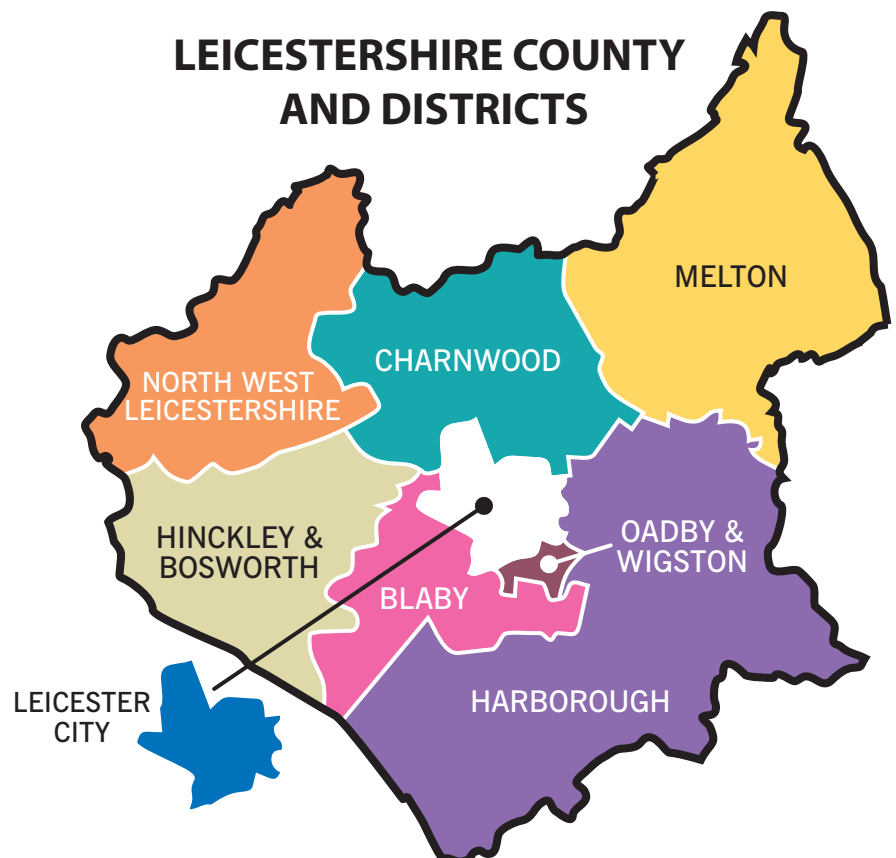
On 25 June 2015 the Leaders of Leicester and Leicestershire's nine local authorities met as the Economic Growth Board for Leicester and Leicestershire and agreed proposals to review their governance arrangements in order to deliver their ambitious plans for growth in Leicester and Leicestershire.

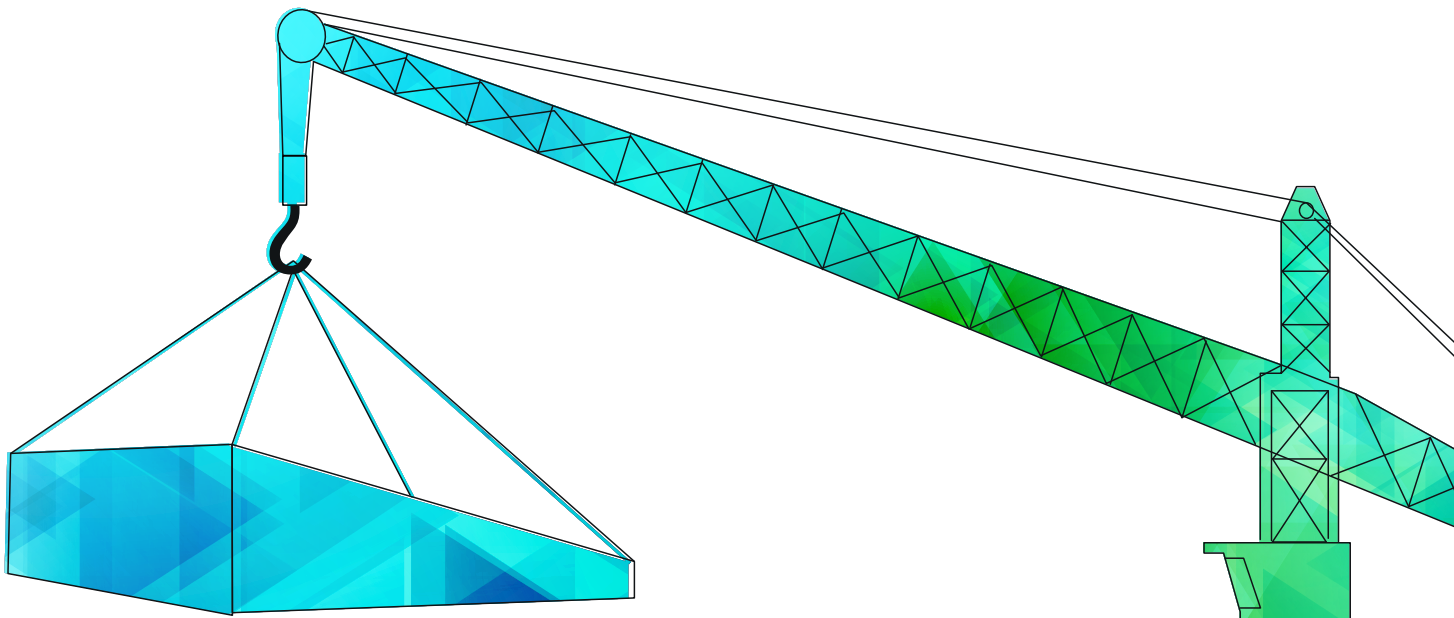
This document details the findings of the governance review undertaken in accordance with Section 108 of the Local Democracy, Economic Development and Construction Act 2009, to review the effectiveness and efficiency of transport within the area and the arrangements to promote economic development and regeneration. The review aims to identify the most effective way in which policy and strategy on these major functions can be joined up across geographical boundaries. It has included consideration as to whether a Combined Authority or Economic Prosperity Board would be most likely to improve the overall economic conditions in Leicester and Leicestershire.

A period of consultation will be undertaken before a final decision is made by the nine local authorities regarding the governance model.

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## 2. Executive Summary

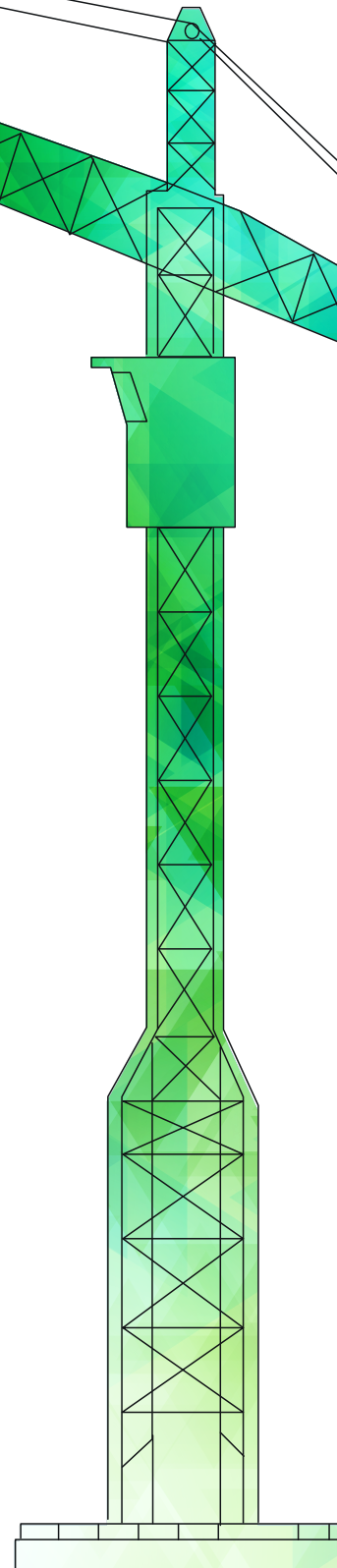
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The Governance Review has found that Leicester and Leicestershire functions as an integrated economic area. There are significant interdependencies between the City and the County. There are strong relationships with neighbouring areas. Partnership working on initiatives such as the Growth Deal and Enterprise Zones has further strengthened Leicester and Leicestershire as a functional economic area. Our partnership working has a strong track record that can be built on.

The case for change is compelling. There are a number of limitations within the current arrangements, largely relating to the lack of a single, formally constituted body responsible for taking decisions about economic growth and strategic transport, which has led to problems such as lack of clarity, duplication and inefficiency of decision making. The Review also concluded that the current arrangements inhibited long term strategic decision making and that they were not sufficient to support the ambitions of the area. A simpler, less cumbersome governance arrangement is needed to address the challenges that Leicester and Leicestershire will face in the future, as well as providing greater transparency and accountability.

The financial position facing local authorities should not be overlooked. Over the last four years, there have been significant reductions in the Government's funding of local authorities. Reductions in local government have been higher than in other parts of the public sector. It is therefore imperative that all future governance models are efficient and reduce duplication and waste wherever possible.

The Review finds that a Combined Authority is the best option for providing robust governance across Leicester and Leicestershire. It will act as a clear and effective platform for accelerating economic prosperity in Leicester and Leicestershire through the creation of integrated, strategic frameworks to enable the delivery of investment plans for planning, transport and skills.



# 3. Methodology for the Governance Review

The governance review has comprised the following:-

- A review of the economic evidence in order to assess the effectiveness of current arrangements (August 2015 – October 2015);
- Desk research of possible future governance structures and an analysis of their advantages (August 2015);
- Stakeholder engagement on the draft review (September – October 2015);
- Final version submitted to the constituent councils for approval (November – December 2015).

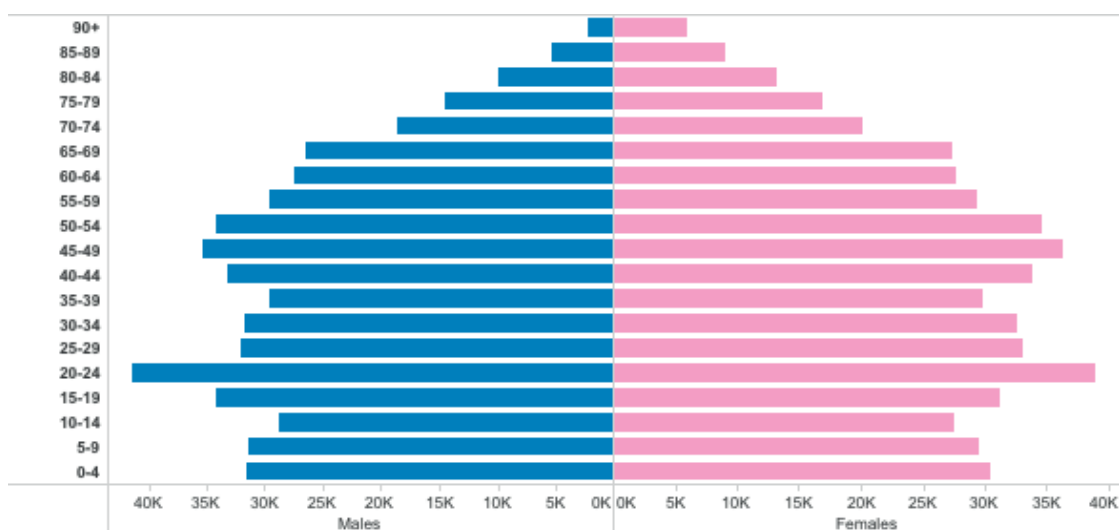
# 4. Review of Economic Evidence

The full economic review is available as part of the Strategic Economic Plan and can be accessed via [www.llep.org.uk/strategies-and-plans/our-strategic-economic-plan-sep/](http://www.llep.org.uk/strategies-and-plans/our-strategic-economic-plan-sep/)

## (a) Workforce Information

The total population of the combined authority area in 2014 was 1,005,600 people of which, 644,700 were of working age (16-64).<sup>1</sup> The population pyramid below shows the total population of the combined authority area by sex and quinary age band.

**Figure 1 - Mid-2014 population estimate by sex and quinary age band, combined authority area**



Source: Office for National Statistics, 2015.

<sup>1</sup>2014 mid-year population estimates, Office for National Statistics. Available online: <http://www.ons.gov.uk/ons/rel/pop-estimate/population-estimates-for-uk--england-and-wales--scotland-and-northern-ireland/mid-2014/rft---mid-2014-uk-population-estimates.zip>

Of the 386,600 resident working age population in employment in the combined authority area<sup>2</sup>, 134,400 (35 percent) worked in Leicester City, followed by Charnwood with 46,800 (12 percent) and Blaby with 38,200 (10 percent). Overall, 326,100 people (84 percent) lived and worked in the combined authority area, while 60,400 (16 percent) lived in the area but travelled outside for work. Of these, 4,400 people travelled to work in Nottingham, while 4,300 commuted to Coventry (both 1 percent). This in itself demonstrates a high level of labour market self-containment, with such a high percentage of people both living and working in the combined authority area.

A total of 64,100 people of working age in employment at the time of the 2011 Census lived outside the combined authority area and travelled into the area for employment, meaning that the area has a small positive net commuting figure (approximately 4,300 people). Of the people travelling into the area for employment, 18,400 people (29 percent) travelled to North West Leicestershire, while 11,300 (18 percent) travelled to Leicester City. The largest number of employees travelled into the area from South Derbyshire (5,200 employees, 8 percent), followed by Nuneaton and Bedworth (4,800 employees, 8 percent) and Rushcliffe (4,000 employees, 7 percent).

In the combined area in the year to December 2014, there were 460,700 people (73 percent of the 16-64 population) with NVQ Level 2 equivalent qualifications<sup>3</sup> and above in the combined authority area<sup>4</sup>. This is compared with 71 percent for the East Midlands and 73 percent for Great Britain. The rate for the combined authority area has increased gradually since 2004, when it stood at 60 percent; this has been broadly consistent with the region and national pattern. In comparison, there were 209,100 people (33 percent) with NVQ Level 4 equivalent qualifications<sup>5</sup> and above in the area, compared with 31 percent for the East Midlands and 36 percent for Great Britain. This rate has increased gradually from 24 percent in 2004 and has increased at a similar rate as the region and national rates. Whilst the change has been broadly consistent with the regional rate, it has lagged slightly behind the national rate.

Finally, in the year to 2014, there were 50,300 people (8 percent) with no qualifications in the combined authority area, compared with 9 percent for both the East Midlands and Great Britain. This rate had fallen steadily since 2004, when it stood at 18 percent. Historically, the rate for the combined authority area has been marginally higher than the regional and national rate, however in 2014; the percent of working age population with no qualifications in the combined authority area dropped below both for the first time since 2004. It is also worth noting that the proportion of the Leicester City population with 'other' qualifications (9.5 percent) is significantly higher than the regional (6 percent) and national (6.2) percent.

The 2015 LLEP Business Survey<sup>6</sup> noted that a quarter of all employers (25 percent) had experienced difficulties in recruiting staff in the last 12 months, rising to 39 percent of those that have recruited. A lack of the right skills in applicants was the most significant cause of recruitment difficulties (39 percent of those experiencing recruitment difficulties) followed by a lack of the required character traits, and a lack of work experience (24 percent and 22 percent respectively). Overall, 15 percent of all employers report skills shortage vacancies. This increased to 30 percent of businesses with 10-49 employees and 43 percent of businesses with over 200 employees. Skills shortage vacancies were higher than average in the manufacturing sector (22 percent, compared with 15 percent).

Nearly half of all employers (47 percent) have arranged or funded training for employees in the last 12 months. A third of all employers (31 percent) have arranged or funded off-the-job training, while a higher proportion than this (37 percent) have arranged or funded on-the-job or informal training. The majority

<sup>2</sup>2011 Census, Office for National Statistics. Available online: <https://www.nomisweb.co.uk/census/2011/wu01uk>

<sup>3</sup>GCSE grades A\*-C, NVQ level 2 or equivalent

<sup>4</sup>ONS Annual Population Survey, 2015. Available online: [www.nomisweb.co.uk/reports/lmp/lep/1925185552/report.aspx#tabquals](http://www.nomisweb.co.uk/reports/lmp/lep/1925185552/report.aspx#tabquals)

<sup>5</sup>Certificate of higher education, NVQ level 4 or equivalent

<sup>6</sup>Leicester and Leicestershire Business Survey 2015, BMG Research, LLEP. Available online: [www.llep.org.uk/our-economy/research-reports/business-survey/](http://www.llep.org.uk/our-economy/research-reports/business-survey/)

of employers that have not trained cite a lack of need amongst their staff. More than half of all employers (57 percent) plan to train or up-skill their staff in the next 12 months. This proportion increases with business size and includes all businesses with 200+ employees.

## (b) Summary of the Local Economy

Leicester and Leicestershire together make up the largest economy in the East Midlands. It is central to the prosperity of the Midlands as it is worth £19.4 billion per year, providing 435,000 jobs and hosting 33,000 trading businesses, many of which are in the manufacturing and logistics sectors.

As highlighted above, Leicester and Leicestershire function as an integrated economic area in terms of travel-to-work patterns, in addition to retail and cultural catchments and transport links. Although it has strong relationships with neighbouring counties, the economic interdependencies and unique transport infrastructure and needs across Leicester and Leicestershire serve to make it a separate economic area.

The area benefits from a diverse industrial structure and is not dependent on the fortunes of any one sector or employer.

Although the service sector has grown in significance over the last 20 years, the economy was built upon a strong manufacturing base which remains a distinctive feature, accounting for the highest number of jobs in the area. The area also benefits from an excellent strategic location at the heart of the UK road and rail network and has the second largest freight handling airport in the UK, reflected in the high numbers of employees in logistical sectors. The table below shows the top ten employment sectors locally in terms of total number of jobs.

**Figure 2 - Top ten LLEP area employment sector total (jobs), 2014<sup>7</sup>.**

Standard Industrial Classification (SIC)	Employees
Manufacturing (C)	55,800
Education (P)	49,400
Health (Q)	49,400
Retail (Part G)	40,300
Business admin & support services (N)	37,000
Professional, scientific & technical (M)	35,800
Transport & storage (inc. postal) (H)	25,800
Accommodation & food services (I)	24,100
Wholesale (Part G)	21,000
Arts, entertainment, recreation etc (R-U)	19,500

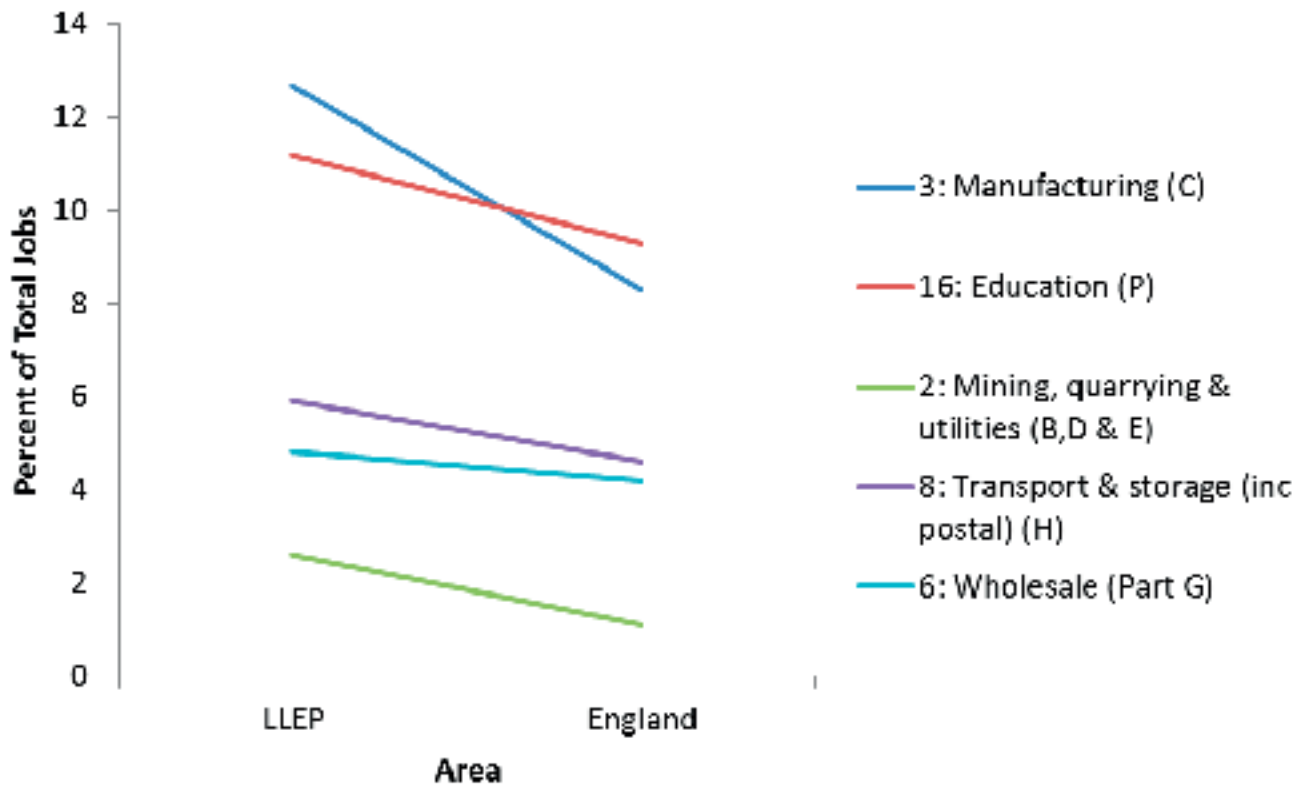
Source: BRES, Office for National Statistics, 2015.

<sup>7</sup>Business Register and Employment Survey (BRES), 2015. Available online: [https://public.tableausoftware.com/views/BRESData/BRESDashboard?:embed=y&:display\\_count=no:showVizHome=no](https://public.tableausoftware.com/views/BRESData/BRESDashboard?:embed=y&:display_count=no:showVizHome=no)



The combined authority area significantly out performs the national share in various areas. The chart below shows the top five employment sectors that are more important locally than nationally (in terms of the difference between the percentage rates for the combined area and England).

**Figure 3 - Top five LLEP area employment sectors by percentage point difference from England, 2014.**



Source: BRES, Office for National Statistics, 2015.

The above table and chart demonstrate the importance of the Manufacturing and Transport and Storage sectors in terms of local employment and also shows a relatively high dependency on public sector related employment (specifically Health and Education) which is especially marked in Leicester City, where almost two in every five jobs (38.1 percent) are in public sector related employment (Public Administration and Defence, Health and Education).

Leicestershire is a desirable location for the Logistics and Distribution sector, as noted in the corresponding LLEP Sector Growth Plan<sup>8</sup>. The East Midlands has the largest combined floor space and the largest mean size of warehouse floor spare of any region, housing 20 percent of the national total. The combined authority area is home to 46,800 jobs in the sector; over 2 percent of the total sector jobs in England. The sector constitutes 11 percent of all jobs in Leicester City and Leicestershire, almost 2 percentage points higher than England as a whole. While this figure is higher for Leicestershire (13 percent), it is much lower for Leicester City (6.5 percent). This is most likely a reflection of land availability - given the county's larger area - as well as proximity to major transport links such as the M1, M42 and M69 motorways and East Midlands Airport.

<sup>8</sup>LLEP, June 2014. Available online: [www.llep.org.uk/content/uploads/2015/07/LLEP-Logistics-Distribution-Sector-Growth-Plan.pdf](http://www.llep.org.uk/content/uploads/2015/07/LLEP-Logistics-Distribution-Sector-Growth-Plan.pdf)

It is also interesting to note those sectors where Leicester and Leicestershire have employment shares that are below the national levels. These include sectors which are associated with above average earnings and make a high contribution to GVA (Gross Value Added) including:

- Information and communications (-2 percentage points), especially in Leicester City (-4.1);
- Finance and insurance (-1.7);
- Property (-0.6); and
- Professional, scientific and technical sectors (-0.3).

The Professional and Financial Services Sector is a part of the economy that is of interest to the combined authority area given its higher GVA, as mentioned above. Analysis of sector structure indicates that there is a slightly lower proportion of professional and financial sector employment than is the case nationally (10 percent compared to 11 percent for England). It is important to close this gap to provide a more resilient platform for growth and generate higher workplace earnings that will help to underpin service sector growth. The overall figure for the area disguises the fact that the share of jobs within Leicester City is particularly low (6 percent) when compared to the county (12 percent) and national (11 percent) figures. Within the county, while a number of areas lag behind the share at a national level, Head Office and Management Consultancy activities (group 70) boast a share 2 percentage points higher than England. The presence of three major universities each with their own area of distinct expertise provides Leicester and Leicestershire with an excellent opportunity to build a stronger knowledge economy. In addition the universities are hosts to a number of national centres.

### Further Information

A more detailed breakdown of employment figures for the combined authority area can be found at the link below:

[https://public.tableau.com/views/BRESData/BRESDashboard?:embed=y&:display\\_count=no:showVizHome=no](https://public.tableau.com/views/BRESData/BRESDashboard?:embed=y&:display_count=no:showVizHome=no)

The LLEP has recently published eight 'sector growth plans' (including a focus on; Textiles; Advanced Manufacturing and Engineering; Low Carbon; Food and Drink Manufacturing; Tourism and Hospitality) that will help shape and focus future funding and investment programmes to support economic growth and development in Leicester and Leicestershire.

Between 2009 and 2014, the number of people in employment increased from 428,300 to 441,200, an increase of 12,900 (2 percent), higher than the increase for the East Midlands as a whole (2 percent), but lower than the increase for England (5 percent). The unemployment rate in Leicester City has been above the national average for many years and there are some pockets of higher than average unemployment in Leicestershire (especially in Coalville and Loughborough).

## Further Information

A more detailed breakdown of the unemployment data for the combined authority area can be found at the link below:

[https://public.tableausoftware.com/views/UnemploymentBulletin/HeadlineData?:embed=y&:display\\_count=no:showVizHome=no#](https://public.tableausoftware.com/views/UnemploymentBulletin/HeadlineData?:embed=y&:display_count=no:showVizHome=no#)

The area faces substantial future demographic changes which will require the provision of substantial numbers of additional homes. Housing needs up to 2028 have been agreed by the nine local authorities in a memorandum of understanding, and work is underway to consider housing requirements beyond then as part of the preparation of a Strategic Growth Plan looking to 2050. A key aspect of this exercise will be to consider an appropriate spatial distribution of new housing which will support economic growth and which can be supported by appropriate infrastructure provision.

## (c) Summary of Transport Evidence

There are two highway authorities delivering transportation services within the area: Leicestershire County Council and Leicester City Council. The nine local authorities in Leicester and Leicestershire are collaborating to produce strategic transport evidence looking to 2031. This will inform local planning and set the baseline for strategic planning to 2051.

The transport network is expected to see a 20% growth in traffic over the next 15 years. This could present a substantial barrier to growth if not tackled through a range of major transport initiatives and smaller scale integrated transport interventions. Leicester City

Council and Leicestershire County Council have worked closely together to deliver major corridor improvements and a very successful Local Sustainable Transport Fund (LSTF) programme. In the short to medium term, a further programme of corridor schemes and targeted smaller scale interventions, including proposed LSTF initiatives, will be required to help to manage the existing transport network effectively and prevent city development and growth across the urban area being frustrated. In addition, measures will be required to ensure Leicester can continue to have effective access to the Strategic Road and Rail Network, including the M1, M69, A5 and Midland Mainline and HS2.

With regard to the Strategic Rail Network, the two transport authorities, the LLEP and North West Leicestershire District Council are undertaking work to determine the future rail provision up to 2050. This links to the work on HS2 and Midlands Connect.

## (d) Summary of Economic Successes through the LLEP

The Leicester and Leicestershire Enterprise Partnership (LLEP) has the full support and commitment of its public, private and voluntary sector partners and has built a strong spirit of partnership and sense of common purpose. It has a strong track record and is well placed to deliver at pace and provide value for money. Significant successes have already been achieved, including:-

- MIRA (located in Hinckley and Bosworth) has attracted the likes of Ashok Leyland and Bosch and created over 250 jobs;
- investing the Growing Places Fund to unlock the development of thousands of new homes and employment land and secure the location of Formula E (electric motorcar racing) to new international headquarters at Donington Park in North West Leicestershire;
- the City Mayor's Economic Action Plan which is investing over £60m in a range of regeneration, business support and skills programmes to transform Leicester's economy, and the County Council's Enabling Growth Plan which is investing £38m in activities to boost the county economy;
- securing £100m local growth funding to support development in infrastructure, including faster broadband, connectivity and skills, as well as £111m European Structural and Investment Funds to enable investment in 'place, people and business';
- through the City Deal, creating a flagship Business Growth Hub and running one of the most successful business grant programmes in the country; supporting the development of Loughborough University Science and Enterprise Parks and establishing the Leicester and Leicestershire to Work Programme;
- improving the Leicester North West (A50) transport corridor to facilitate mixed use urban extension in the regeneration area and mitigate the impacts of growth in the Coalville area and reduce congestion;
- the development of the Leicester and Leicestershire Integrated Transport Model (LLITM). Working in partnership with relevant authorities such as Highways England and the local planning authorities, LLITM has been successfully used to provide the evidence needed to underpin two adopted core strategies (Blaby and Harborough) and to underpin bids to secure over £25m to deliver schemes in Loughborough, Coalville, Leicester and Hinckley. Through the Strategic Planning Group LLITM is also being used to inform future strategic spatial planning beyond the current timeframe for core strategies (i.e. 2030 and beyond to 2050);
- the recent commencement of work on the Strategic Growth Plan to 2050, providing a longer term spatial strategy for Leicester and Leicestershire beyond the current planned growth (which extends to 2031). To lead this work, a Joint Strategic Planning Manager (funded by all Leicestershire Districts, the City Council, the County Council and the LLEP) has been appointed.

## (e) Risks to the Economy

The following risks have been identified:-

- lack of suitable land for the most land intensive priority employment sectors (logistics and manufacturing);
- poor quality public realm and derelict sites requiring land assembly and infrastructure;
- inadequate transport infrastructure causing congestion and resulting in increased business costs;
- 70% SMEs have growth plans but need support;
- recruitment difficulties and skills shortages in key sectors and insufficient young people attracted to careers in sectors such as engineering, manufacturing and logistics.
- Lack of integration between growth and transport, which is necessary in order to shape the location of sites for employment and housing, particularly post 2031.

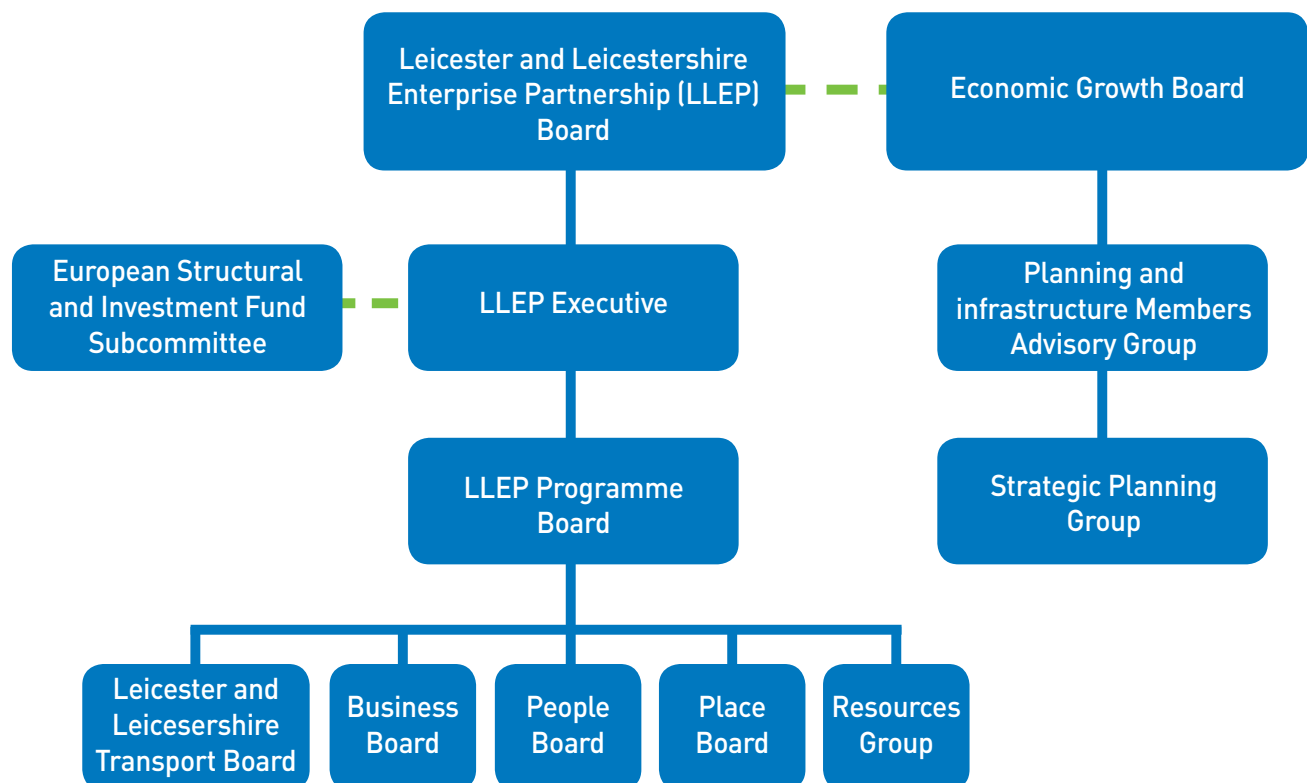
# 5. Current Strategic Governance Arrangements

The City of Leicester sits at the heart of the county and is governed by a unitary city council which has been managed under the directly elected mayor model of governance since 2011. The surrounding county is managed through a two-tier form of local government, with a county council and seven district councils. The Leicester and Leicestershire Enterprise Partnership (LLEP) operates co-terminously with the city and county boundary.

All nine councils in Leicester and Leicestershire have a strong commitment to joint working with business and other partner organisations to deliver economic growth. There are numerous examples of effective partnership working, particularly through the LLEP which has a strong track record of delivery.

## (a) Existing Arrangements to Promote Economic Development and Regeneration

The diagram below summarises the current governance arrangements for the delivery of economic development and growth, as set out in the LLEP’s Strategic Economic Plan.



Strategic governance of the programme for economic development and growth is provided through the Economic Growth Board and the LLEP Board. To ensure alignment between these two Boards, there is a degree of shared membership, with the Chairman of the LLEP sitting on the Economic Growth Board in an observer capacity and four local authority Leaders who are members of the Economic Growth Board sitting on the LLEP Board.

The remit of each of the above bodies involved in economic development and regeneration is set out below, along with some other bodies that are not part of this structure but contribute to this area of work:-

## **(i) Economic Growth Board for Leicester and Leicestershire**

The Economic Growth Board provides strategic oversight of economic development delivery by the local authorities. It informs objectives and prioritisation for investment programmes and the management of pooled local authority resources to support the projects outlined in the LLEP's Strategic Economic Plan.

The Economic Growth Board is comprised of the City Mayor, the County Council Leader and the seven District Council Leaders. The Chairman of the LLEP also attends the Board in an observer capacity.

## **(ii) Planning and Infrastructure Members Advisory Group**

The purpose of the Members Advisory Group is to oversee strategic land-use planning work in Leicester and Leicestershire and support fulfilment of the Duty to Co-operate, as required by the Localism Act 2011 and the National Planning Policy Framework March 2012, which states that Local Planning Authorities, when preparing a development plan document such as a Local Plan must demonstrate effective and collaborative working.

The Member Advisory Group delivers its role through:-

- facilitating the sustainable growth of Leicester and Leicestershire by assisting in the discharge of the statutory Duty to Cooperate (section 110 of the Localism Act 2011) and advising on the preparation of the Strategic Growth Plan;
- providing Member-level advice to the Strategic Planning Group (the officer-level group tasked with preparing a non-statutory Strategic Growth Plan for consideration by Members) on all matters relating to the preparation of the Plan including its nature, form, content and programme;
- conveying the views held by constituent authorities on matters relevant to a non-statutory Strategic Growth Plan and have regard to the aspirations of the wider stakeholder group in the preparation of the Plan including matters relating to the Combined Authority proposal and the refresh of the Strategic Economic Plan prepared by the LLEP;
- ensuring that the preparation of a non-statutory Strategic Growth Plan fully integrates with existing or emerging spatial provisions of all up-to-date, National Planning Policy Framework (NPPF) compliant local plans across the Leicester and Leicestershire area in every strategic and spatial interest of acknowledged importance.

The membership comprises the City Mayor, Planning Portfolio Holders and District Leaders, the County Council's Lead Member for Highways also attends. This is currently an informal group without any decision making powers.

### (iii) Strategic Planning Group

The Strategic Planning Group is an officer group which steers and manages strategic planning collaboration and co-operation across Leicester and Leicestershire. It is chaired by a District Council Chief Executive and comprises senior council officers and officers from the Homes and Communities Agency. It is supported by the newly appointed Joint Strategic Planning Manager.

### (iv) Leicester and Leicestershire Enterprise Partnership (LLEP) Board

The Leicester and Leicestershire Enterprise Partnership (LLEP) was formed in May 2011. It is a strategic body led by a Board made up of 15 local government and business leaders as well as senior education and third (voluntary) sector representatives. It is chaired by a leading business representative. The local government representatives are elected members.

The LLEP's vision is to "Create a vibrant, attractive and distinctive place with highly skilled people making Leicester and Leicestershire the destination of choice for successful businesses."

Its aim, by 2020, is to have:

- Created 45,000 new jobs;
- Leveraged £2.5bn of private investment;
- Increased GVA (Gross Value Added) by £4bn from £19bn to £23bn.

It will do this by driving forward regeneration and growth of the local economy, by:

- Working with Government to set out key investment priorities for Leicester and Leicestershire;
- Engaging with business, local authorities, Higher Education, Further Education, the voluntary sector and other stakeholders;
- Facilitating local partnership working and relations with national Government
- Influencing national Government economic policy and spending;
- Investing LLEP funding and aligning partner resources;
- Through its investments, influence and activities ensure positive outcomes for the local economy.

### (v) LLEP Executive

The LLEP Executive Group is an officer group which ensures implementation of the Board's strategic priorities, programmes and projects, including oversight of the development of the City Deal, European Structural and Investment Fund (ESIF) Strategy and the LLEP's Strategic Economic Plan. It also provides advice to the Board and surety that resources are being managed effectively.

Membership of the LLEP Executive comprises the LLEP Director (Chairman of the Executive), senior local authority officers, senior Higher Education, Further Education, third sector representation and a business



representative nominated by the Business Council, an umbrella organisation for business organisations, with appropriate officer input from national Government.

## **(vi) LLEP Programme Board**

The Programme Board has only recently been established through the Local Assurance Framework. It reports to the LLEP Board and has the following purpose:-

- To maintain the integrity of the LLEP Programme, as defined by the Strategic Operational Plan of the LLEP, which considers projects in relation to the Strategic Economic Plan;
- To agree with the Resources Group on particular routes to funding for the programme, in line with the LLEP finance strategy;
- To make recommendations to the LLEP Board on projects and programmes to approve for funding;
- To oversee the quality of business cases required for project approvals;
- To ensure the integrity of the wider Local Assurance Framework process.

Membership comprises both private sector and public sector member and officer representatives with a private sector chair.

## **(vii) People Board**

The People Board supersedes the former Employment and Skills Board and is responsible for:

- Overseeing the development and review of the People Chapter of the Strategic Economic Plan (SEP) and leading the strategy and direction for skills development and employment support;
- Overseeing and co-ordinating the delivery of key projects and programmes
- Providing delivery assurance to the LLEP Executive of the delivery of projects and programmes;
- Making recommendations to and advising the LLEP Executive and Board about future investment opportunities;
- Directing and managing individual project boards and teams;
- Managing risks and issues, escalating to the LLEP Executive where appropriate;
- Engaging stakeholders in the development and review of the SEP and delivery of programmes.

Membership comprises senior local authority officers and representatives of Higher Education, Further Education, the third sector, business and the Department for Work and Pensions

## (viii) Business Board

The Business Board is accountable to the LLEP Executive and is responsible for

- Overseeing the development and review of the Business Chapter of the SEP and leading the strategy and direction for business support and innovation;
- Overseeing and co-ordinating the delivery of key projects and programmes including the Growth Deal and ESIF programmes;
- Providing delivery assurance to the LLEP Executive of the delivery of projects and programmes;
- Making recommendations to and advising the LLEP Executive and Board about future investment opportunities;
- Directing and managing individual project boards and teams;
- Managing risks and issues, escalating to the Executive where appropriate;
- Engaging stakeholders in the development and review of the SEP and delivery of programmes.

Membership comprises senior local authority officers, senior Higher Education, Further Education, and third sector representation and business representatives.

## (ix) Place Board

The Place Board is accountable to the LLEP Executive and is responsible for:

- (i) Overseeing the development and review of the Place Chapter of the Strategic Economic Plan (SEP) and leading the strategy and direction for physical infrastructure to support growth:

LLEP Strategic Economic Plan 2014 – 2020

- Growth Areas
- Leicester Urban Area;
- East Midlands Enterprise Gateway;
- Coalville Growth Corridor;
- Loughborough;
- South West Leicestershire.

Transformational Priorities

- Leicester Launchpad;
- East Midlands Gateway Strategic Rail Freight Interchange;
- Loughborough University Science and Enterprise Parks;
- MIRA Technology Park Enterprise Zone.

Growth Programmes

- Market Towns and Rural Leicestershire;
- Infrastructure, Workspace and Cultural Development.

(ii) Overseeing and co-ordinating the delivery of key projects and programmes including the Growth Deal and EU Structural Investment Funds (ESIF) programmes;

(iii) Providing delivery assurance to the Executive of the delivery of projects and programmes;

(iv) Making recommendations to and advising the LLEP Executive and Board about future investment opportunities;

(v) Directing and managing individual project boards and teams;

(vi) Managing risks and issues, escalating to the Executive where appropriate; and

(vii) Engaging stakeholders in the development and review of the SEP and delivery of programmes.

Membership comprises officers from the nine local authorities in Leicester and Leicestershire, the Homes and Communities Agency and the LLEP.

## **(x) Resources Group**

The Resources group is accountable for the funding the LLEP receives from Central Government. It also manages the LLEP's own budget and distributes funds as appropriate.

Membership comprises officers from the LLEP and from the nine local authorities in Leicester and Leicestershire.

## **(xi) European Structural and Investment Funds (ESIF) Sub-committee**

The ESIF Committee governs the LLEP's ESIF programme. The Committee comprises business partners and representatives from the voluntary and public sectors. Public sector representatives include both elected members and officers.

## **(b) Arrangements to Ensure the Effectiveness and Efficiency of Transport within the Area**

### **(i) Leicester and Leicestershire Transport Board (LLTB)**

The LLTB was established in response to the national Government's intention to devolve funding for local major transport schemes to Local Transport Bodies from 2015. Its primary role is to decide which transport investments should be prioritised, to review and approve individual business cases for those investments, and to ensure effective delivery of the programme. Its role is to ensure value for money and sound decision making.

The LLTB pre-dates the LLEP but has been integrated into the LLEP substructure and is currently overseen by the LLEP Programme Board. It is a voluntary partnership between the Leicester and Leicestershire Enterprise Partnership and elected members from Leicester City Council and Leicestershire County Council. A Leicestershire District Council member has also been invited to join the Board, but in a non-voting advisory capacity.

## 6. Limitations of the Current Arrangements

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The current partnership arrangements described above have delivered a significant number of development and growth projects - 5000 new jobs and support to the growth of 3000 new businesses across the city and county - within the last three years. An effective framework has been developed to manage and commission the £100m Local Growth Fund which will unlock a further £160m of investment and create at least a further 2500 jobs and 1300 homes.

However, the current partnership arrangements have a number of constraints, namely:-

- There is no single formally constituted body with responsibility for taking decisions related to strategic economic growth and strategic transport across the sub-region. This has led to a lack of clarity about decision making processes and responsibilities.
- The current bodies that are in place are voluntary and rely on good relations between partners and a mutual interest in working collaboratively.
- As none of the current bodies are formally constituted, it has not been possible for any of the constituent authorities to delegate powers to them. This means that any decisions related to economic growth and transport need to be taken by all the relevant local authorities. This results in longer decision making timescales, duplication of effort and a lack of transparency leading to a potential for confusion.
- The current governance arrangements are not sufficient for the ambitions of the area in terms of long term funding commitments for transport investment, devolution of funding and the ability to commission skills programmes locally and enhanced funding and finance powers through the establishment of new enterprise zones to help deliver priority growth areas.
- As there is no single entity with responsibility for taking strategic decisions on spatial planning and transport at a sub-regional level, there is no straightforward mechanism for coherent long term strategic planning decisions to be made collectively by all local authorities about the future direction of growth, including distribution of employment and housing land in the city and county and key

infrastructure investment. Similarly, there is no cohesive long term approach to strategic transport planning which is a distinct function. It also inhibits shared understanding about the sub-region as a single economic area and a risk that each council acting alone will have limited control or influence over the key drivers of economic growth. This is particularly important in the case of developing relationships with neighbouring LEPs and Housing Market Areas.

- There is no vehicle to provide a single, coherent response to major, national infrastructure investments such as strategic road and rail projects.
- There is no arrangement for binding decisions on strategic land use planning to be taken collectively. This will not give investors, central government and other agencies assurance and confidence in the deliverability of the sub-region's plans for economic growth. There is also no single mechanism for discussing strategic planning and infrastructure with adjacent local authority areas.
- The skills agenda is not at the forefront of current arrangements and existing governance structures have not prioritised it. There is no single, strategic commissioning body to drive and deliver locally-led solutions to improve the delivery of skills training and development.

## 7. Case for Change

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The nine local authorities of Leicester and Leicestershire firmly believe that they can build upon their successes by strengthening and formalising partnership arrangements. In particular, this would allow them to work more closely together with Government and the LLEP to enhance their collective impact on economic growth.

Strengthened partnership arrangements would also create a clear and effective platform for accelerating economic prosperity in Leicester and Leicestershire through the creation of integrated strategic frameworks to enable the delivery of investment plans for planning, transport and skills.

In the current financial climate, where there have been significant reductions in the Government's funding of local government over the last four years which are set to continue in the medium term, it is imperative to have governance arrangements in place that are efficient and reduce both duplication and the timescales for delivery of investment in economic growth.

A Combined Authority will represent clear and co-ordinated governance for Leicester and Leicestershire and will form the foundation for an ambitious devolution deal for the area.

# 8. Options for Change

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This review considers the following options:-

1. Maintaining the status quo;
2. Establishing a Joint Committee;
3. Establishing an Economic Prosperity Board;
4. Establishing a Combined Authority.

These options are considered in the light of the requirement that the Governance Review determines whether the existing governance arrangements for economic development, regeneration and transport in the area are effective or whether the area would benefit from changes, including establishing a new Economic Prosperity Board or Combined Authority.

## Option 1: Maintaining the Status Quo

Maintaining the status quo means that the governance arrangements will not be sufficient for the ambitions of the area. These ambitions are:-

- Long term funding commitments for transport investment;
- Devolution of funding and the ability to commission skills programmes locally;
- Enhanced funding and finance powers through the establishment of new enterprise zones to help deliver priority growth areas.

Under the current arrangements, there is no single body which could hold devolved funding and undertake commissioning on a sub-regional basis.

In addition, the lack of a single decision-making body with responsibility across the spectrum of economic development, regeneration and transport means that there is no binding forum where a long term view on policy and strategy can be taken. Without this, it would not be considered prudent for third parties to make long term funding commitments.

Maintaining the status quo would also mean that the area would miss out on the benefits of more efficient partnership working and would leave Leicester and Leicestershire behind a number of other parts of the country which have already, or are in the process of, strengthening and aligning their decision making process in relation to transport and economic development and regeneration. In addition, it would mean that Leicester and Leicestershire would be unable to pursue a devolution deal.

The current arrangements would not allow the sub-region to benefit from a single democratic and financially accountable model which is a legal entity in its own right and can provide the necessary certainty, stability and democratic accountability to allow for long-term, strategic economic decisions to be made.

In conclusion, maintaining the status quo would mean difficulties in accessing new funding and powers in line with the ambitions of the area, leaving Leicester and Leicestershire behind other areas economically with all the attendant implications for local residents. It would also perpetuate the inefficiencies in the current system.

## **Option 2: Establishing a Joint Committee**

### **Background**

Section 102 of the Local Government Act 1972 enables two or more local authorities to set up a Joint Committee to discharge their functions jointly. These arrangements must comply with the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012. Joint Committees may be decision-making or advisory. The councils concerned determine the numbers of councillors, terms of office and geographic areas of operation of joint committees. It would be possible to co-opt a non-local authority member to a Joint Committee; however they would not be able to vote.

Most Joint Committees appoint a 'lead/accountable' council; some do this on a rotating basis. They have no legal status, cannot impose financial obligations on their constituent authorities, and have no powers to levy council tax. They do not require the involvement of national Government or Parliament and so can be set up within a matter of months.

The Joint Committee model allows an area to demonstrate effective decision making and political oversight for the management of funding that is allocated to the LEP.

The County Council currently manages two joint Committees operating in the area, the Eastern Shires Purchasing Organisation (ESPO) and East Midlands Shared Services (EMSS) and has considered the operation of these in the analysis below.

### **Analysis**

The functioning of a Joint Committee depends upon goodwill and the desire for collaboration which characterises the current arrangements and therefore will not address the deficiencies associated with the status quo. Each authority would need to authorise and delegate functions to the Joint Committee. Councils are also able to withdraw the delegation at any point in the future which poses a significant risk in terms of a lack of stability and certainty which is required to enable long term, strategic economic decisions to be made.

Joint Committees cannot be accountable bodies for funding purposes, nor can they employ staff due to their lack of legal status. Ultimate responsibility for finances remains with the host council. This will not meet the ambitions of Leicester and Leicestershire, which include both the devolution of funding and enhanced funding and finance powers.

Securing new investment and responding to a rapidly changing landscape requires local authority partners in Leicester and Leicestershire to be able to act with agility and pace. If circumstances require further functions to be delegated to a Joint Committee than were originally agreed then it would not be possible for it to act in such a way because of the need for this to be agreed through the formal decision making processes at each of the constituent councils.

In conclusion, the establishment of a Joint Committee would not meet the ambitions for Leicester and Leicestershire. The model represents a significant risk to partnership working which will impact on the ability to secure long term funding commitments. In addition, the lack of legal status and financial accountability means that the same difficulties in accessing new funding and powers presented by status quo will be encountered.

### **Option 3: Establishing an Economic Prosperity Board.**

#### **Background**

Economic Prosperity Boards were introduced under the Local Democracy, Economic Development and Construction Act 2009 to enable the integration of economic development (but not transport functions). As a statutory body, an Economic Prosperity Board would have legal personality and is thus considered by central government to provide a strong basis for taking on devolved powers and funding relating to economic development and regeneration, for example accountable body status for an economic development single pot or European Union funding.

Economic Prosperity Boards cannot impose levies on constituent authorities and do not have borrowing powers. The establishment of an Economic Prosperity Board is subject to the same process as for Combined Authorities.

#### **Analysis**

An Economic Prosperity Board could strengthen current partnership arrangements by providing a formal structure to lead collaboration between the Leicester and Leicestershire local authorities on sub-regional economic development and regeneration. It could also provide a stable mechanism for strategic decision making on economic issues across the sub-region. This would be of some benefit because it would enable long term funding commitments to be made.

Economic Prosperity Boards can take a strategic view of economic development and where investment should be made to support long-term, sustainable economic growth across the area. They also enable trade-offs to be made at a strategic level, taking into account what is best for the area as a whole.

An Economic Prosperity Board would be a single body that could represent the economic needs and strengths of Leicester and Leicestershire to partners and investors. It would also enable partnerships of authorities to demonstrate that they are committed to long-term joint working. It would facilitate transparency, accountability and visible leadership for sub-regional areas.

However, the major disadvantage of an Economic Prosperity Board is that it does not include transport functions. Transport is essential to the ambitions for growth in Leicester and Leicestershire. The interdependencies between economic growth and transport are so significant that it would be irrational to establish a governance arrangement that addressed one area but not the other as it would prevent a fully integrated approach to the two areas. The need for separate governance arrangements to address transport issues would be cumbersome and would create a wasteful duplication of effort.

It also worth noting that no Economic Prosperity Boards have been created to date, which means that there is no opportunity to learn for experience in other areas.



## Option 4: Establishing a Combined Authority

### Background

Combined Authorities were introduced under the Local Democracy, Economic Development and Construction Act 2009 to enable councils to integrate economic development and transport functions and decision-making across a functional economic area. A Combined Authority operates as a public body with its own legal personality, can impose a levy on constituent authorities and can borrow money for transport purposes.

It is important to note that Combined Authorities are not a merger of existing Local Authorities; they can only take on certain functions with a very specific remit. In addition, the legislation allows for flexibility in establishing Combined Authorities.

### Analysis

The advantages of an Economic Prosperity Board previously outlined all apply to a Combined Authority as both options are formally constituted legal entities and would provide a stable mechanism for long term strategic decision making and a single body that can represent the needs of Leicester and Leicestershire to investors and partners.

Both options enable a streamlining of arrangements, reduce duplication, would be able to take on developed powers from national Government and can have additional powers delegated to them from constituent councils if they choose to do so.

The significant difference between a Combined Authority and an Economic Prosperity Board, which makes the Combined Authority option much more attractive for Leicester and Leicestershire, is that a Combined Authority would have powers relating to both economic development and strategic transport. The Combined Authority model would provide a simple means of fully aligning and coordinating transport planning and wider economic development and regeneration, including strategic planning, across a sub-region. This would mean that economic development and regeneration and transport initiatives could be aligned, co-ordinated and delivered swiftly and efficiently by a single body.

The creation of a Combined Authority will allow Leicester and Leicestershire to realise its ambitions by bringing together, in a single legally recognised body, the key decision making powers for strategic transport and economic development and planning. It is impossible to separate these two functions, given their high level of interdependency and being able to present a coherent, long term vision across the two areas would facilitate long term planning designed to improve the economic conditions and performance of the area including an improvement in the effectiveness and efficiency of transport. This vision will be based on a single evidence base for the whole area, ensuring data and analysis relating to economic, planning and transportation matters are consistently defined, collected and applied.

A Combined Authority will enable a unified approach to insight, evidence and intelligence which will ensure that the understanding of the complex interdependencies between individuals businesses, jobs, skills, housing, health and financial dependence is of a higher quality thereby ensuring better use of resources on a local level.

A Combined Authority will enable a shared understanding about Leicester and Leicestershire as a single economic area across the nine local authorities and would create a strategic framework for economic

development and transport which would ensure consistency in local decision making. It would also increase the control and influence of the constituent councils across the key drivers of economic growth.

A further advantage to the Combined Authority model is that it would provide a framework for a single, coherent response from Leicester and Leicestershire to be made to national initiatives relating to planning or infrastructure. As a single entity, it would also enhance Leicester and Leicestershire’s ability to liaise with neighbouring areas on issues of mutual interest, particularly as a number of neighbouring areas are in the process of becoming Combined Authorities.

Indeed, a number of areas in the country have already established Combined Authorities, or are in the process of doing so. If Leicester and Leicestershire choose not to establish a Combined Authority they risk getting left behind other areas and missing out on crucial government funding, such as devolution deals, due to not having sufficiently robust governance arrangements in place.

## 9. Summary of Preliminary Findings

The following table sets out an assessment of the options that have been considered by this review:-

Option	Evaluation	Rationale
Maintain the Status Quo	No	Maintaining the status quo would mean difficulties in accessing new funding and powers in line with the ambitions of the area. It would leave Leicester and Leicestershire behind other areas and would therefore be likely to have a detrimental impact on the economy of the area in the future. It would not strengthen the governance processes which largely rely on informal arrangements.
Joint Committee	No	The establishment of a Joint Committee would strengthen the current partnership arrangements and place them on a more formal basis. However, there is a lack of stability and certainty which is unlikely to secure long term funding commitments. In addition, the lack of legal status and financial accountability means that the same difficulties in accessing new funding and powers presented by status quo are likely to be encountered.
Economic Prosperity Board	No	An Economic Prosperity Board would provide strategic direction and accountability for economic development and regeneration and would ensure that a single formal decision-making body was in place for this. However, strategic transport would not be included in these arrangements, thus greatly limiting the scope for increased effectiveness and efficiency.
Combined Authority	Yes	A Combined Authority with devolved funding would create a clear and effective platform for accelerating economic prosperity in Leicester and Leicestershire through the creation of integrated, strategic frameworks to enable the delivery of investment plans for planning, transport and skills.

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# Leicester Leicestershire

Delivering Growth Together



## Draft Scheme for the Establishment of a Leicester and Leicestershire Combined Authority

## Part 1 - Intention to establish a Leicester and Leicestershire Combined Authority

### 1. Establishment of Authority

- 1.1 A Combined Authority shall be established pursuant to Section 103 of the Local Democracy, Economic Development and Construction Act 2009 (“LDEDCA”). It shall come into existence on the 1<sup>st</sup> October 2016.
- 1.2 The Scheme is intended as a summary of the matters with which the Combined Authority will be concerned. Following the establishment of the Combined Authority, the members of the Combined Authority will agree and adopt a full constitution which will expand upon matters referred to within this Scheme.

### 2. Name of Authority

- 2.1 The name of the Combined Authority shall be the ***Leicester and Leicestershire Combined Authority (“the Combined Authority”)***.

### 3. Area of Authority

- 3.1 The Combined Authority area shall be the whole of the following local government areas:-
- (a) Blaby District Council
  - (b) Charnwood Borough Council
  - (c) Harborough District Council
  - (d) Hinckley and Bosworth Borough Council
  - (e) Leicester City Council
  - (f) Leicestershire County Council
  - (g) Melton Borough Council
  - (h) North West Leicestershire District Council
  - (i) Oadby and Wigston Borough Council
- 3.2 The nine councils listed above shall be referred to as the “*constituent councils*”.

### 4. Membership of Authority

- 4.1 Membership of the Combined Authority will be drawn from the constituent councils listed in section three and from the Leicester and Leicestershire Enterprise Partnership (LLEP).

- 4.2 The constituent councils will appoint a total of nine elected members to the Combined Authority. Each constituent council will appoint one member. The LLEP will appoint the Chair of the LLEP to the Combined Authority as a non-voting member (in the event the Chair of the LLEP is an elected member of one of the constituent councils then the LLEP will appoint another member of its board who is not such an elected member).
- 4.3 In respect of elected members, membership of the Combined Authority will be a decision for each constituent council.
- 4.4 The constituent councils shall each appoint another of its elected members to act as a member of the Combined Authority in the absence of the elected member appointed under paragraph 4.2 above including where that absence is as a result of the circumstances in paragraph 4.6. The LLEP shall appoint another member of its board (who is not an elected member of a constituent council) to act as a member of the Combined Authority in the absence of the Chair of the LLEP. Individuals appointed to the Combined Authority under this paragraph 4.4 are referred to as a “substitute member”.
- 4.5 Subject to 4.6 below, each constituent council and the LLEP may at any time terminate the appointment of a member or substitute member appointed by it to the Combined Authority and the constituent council and the LLEP (as appropriate) may appoint a replacement member. Written notice must be given to the Combined Authority within one week of the change for the changeover to take effect. Changes to the member or substitute member appointed by a constituent council/the LLEP to the Combined Authority are a matter for the relevant constituent council/the LLEP and do not need to be voted on by the Combined Authority.
- 4.6 Where a member or substitute member of the Combined Authority ceases (for whatever reason) to be an elected member of the constituent council that appointed them or, in the case of the LLEP member or substitute member, ceases to be a member of the LLEP board, the member shall cease to be a member of the Combined Authority, and the relevant constituent council/LLEP shall appoint a replacement member as soon as practicable and in any event within one month from the member or substitute member ceasing to be a member of the relevant constituent council/LLEP board.
- 4.7 The Combined Authority shall, in each year, appoint a Chairman and Vice-Chairman from among its members. The appointments shall be the first business transacted at the first meeting of the Combined Authority following establishment.
- 4.8 A majority of the constituent councils will normally appoint a member to the Combined Authority at their annual general meeting in May/June of each year. The constitution of the Combined Authority will make provision for an election of a Chairman and Vice-Chairman to take place in the June following the establishment of the Combined Authority and each June thereafter (an annual election). Incumbents will be eligible for re-election.
- 4.9 A person ceases to be Chair or Vice Chair if they cease to be a member of the Combined Authority. Any vacancy must be filled at the next ordinary meeting of the Combined Authority unless such meeting is within 14 days of the vacancy arising, when it will be

the meeting following the next ordinary meeting. Where, at any meeting of the Combined Authority, the Chairman is absent, the Vice Chairman shall assume the Chairman's role for that meeting. Where the Chairman and Vice Chairman are not present or are unable to act, the Combined Authority members will elect one of the members present to preside for the meeting or part of the meeting.

- 4.10 No remuneration shall be payable by the Combined Authority to its members other than allowances for travel and subsistence. A constituent council may, on the recommendation of its independent remuneration panel, pay a special responsibility allowance to any elected member appointed by it to the Combined Authority in respect of duties and responsibilities undertaken as a member of the Combined Authority.
- 4.11 The Combined Authority may co-opt additional, non-voting representatives and further detail in respect of such co-opted representatives shall be agreed by the constituent councils and detailed within the constitution of the Combined Authority.

## 5A. Voting

- 5A.1 In the full spirit of partnership working the constituent councils will endeavour to reach decisions by consensus.
- 5A.2 The following will apply to any vote of the Combined Authority:-
- (a) The constituent council members of the Combined Authority shall have one vote each.
  - (b) Subject to paragraphs 5A.3 to 5A.5 below and the provisions of any enactment, all questions coming or arising before the Combined Authority shall be decided by a simple majority of the members of the Combined Authority present **and** voting.
  - (c) In the case of a tied vote on any motion or amendment, the motion or amendment shall be deemed to have been lost. The Chair of the Combined Authority (which includes any other member presiding at a meeting) shall **not** have a second or casting vote.
  - (d) On the requisition of any one member, made before the vote is taken, the voting on any matter shall be recorded so as to show how each member voted and there shall also be recorded any member abstaining from voting.
  - (e) Where any member abstains from voting then they shall be deemed to have consented to the decision of the majority such that:
    - a. in any decision with reserved status (for which see paragraph 5A.3) and where the abstaining member represents a council directly affected by the decision the matter may pass notwithstanding that the abstaining member



does not form part of the majority provided that all other directly affected councils (through their appointed member) vote in favour or abstain; and

- b. in any decision requiring unanimous support (for which see paragraph 5A.4) the abstention of a member will not prevent the matter passing provided all other members vote in support or abstain (if all members abstain the matter shall not pass).

5A.3 In recognition of the significant impact that some decisions made by the Combined Authority could have on the Combined Authority's constituent councils, and to ensure that the existing democratic mandate of each constituent council is respected and preserved, decisions concerning a number of matters will qualify for 'reserved status'. Decisions made by the Combined Authority regarding matters with 'reserved status' will require a 'special majority' in order to carry. The special majority will operate on the principle that the constituent councils who are directly affected by a decision must be a part of the deciding vote's majority for that decision to carry (unless they abstain). In practice, this will require that:

- (a) for a vote on a transport related matter, both Leicester City Council and Leicestershire County Council – as the two existing transport authorities – must form a part of the deciding vote's majority for that decision to carry. Where a transport related matter affects only the City of Leicester or only the County of Leicestershire then the relevant transport authority must form part of the deciding vote's majority.
- (b) for a vote on a planning matter (including planning for future housing and employment land provision), then the planning authority for the area or areas directly affected must form part of the deciding vote's majority for that decision to carry.
  - i. In the case of a planning matter affecting the City of Leicester then Leicester City Council must form part of the majority.
  - ii. In the case of a planning matter affecting an area of the County of Leicestershire then the relevant district council or, where the matter would be dealt with by Leicestershire County Council as a planning authority, Leicestershire County Council must form part of the majority or where the matter could be dealt with by either the relevant district council or the Leicestershire County Council then both must form part of the majority.

Where the Combined Authority establishes a committee or subcommittee then that committee can make decisions that have reserved status provided that the membership of the committee includes those constituent councils directly affected by the decision. For example a transport committee comprising Leicestershire County Council and Leicester City Council.

5A.4 Where a matter for decision (other than a transport matter) affects the entirety of the Combined Authority area then it will require unanimous support from the constituent

councils. Matters requiring unanimous support include (without limitation) the following:

- (a) Decisions relating to the creation, adoption and review of the documents listed at paragraph 8.8(a) (except 8.8(a)(iv));
- (b) Approval of the Combined Authority's annual budget including decisions on any levies (except transport levies), precepts or other demands for financial contribution from the constituent councils;
- (c) Approval of borrowing limits, Treasury Management Strategy including reserves, Investment Strategy and Capital Budget of the Combined Authority;
- (d) Approval of the Combined Authority's constitution and any changes thereto;
- (e) Adoption of any freedoms or flexibilities offered by central Government;
- (f) Future expansion of the Combined Authority's functions (including by delegation);
- (g) Approval of growth schemes set out in any adopted strategic growth plan;

**5A.5** Further detail on the decisions attracting reserved status and those requiring unanimity together with relevant procedures will be included in the Combined Authority's constitution. The Combined Authority will be able to designate a decision as having reserved status and to remove reserved status in accordance with more detailed provisions in the constitution.

**5A.6** The LLEP member will be a non-voting member of the Combined Authority acting as an advisor to the Combined Authority.

## **5B. Quorum**

**5B.1** The quorum of any Combined Authority meeting will only be calculated by reference to voting members of the Combined Authority.

**5B.2** Subject to paragraph 5B.3, the quorum for the meeting of the Combined Authority will be six members.

**5B.3** The following additional rules for quorum will apply:

- (a) Where any decision is to be taken with reserved status then the meeting will only be quorate for the purposes of that decision where the relevant constituent council(s) is present; and

(b) Where any decision is to be taken that requires unanimous approval then the meeting will only be quorate for the purposes of that decision where all constituent councils are present.

5B.4 The quorum of any committee of the Combined Authority will be determined by the Combined Authority.

## **6. Administrative Arrangements**

6.1 Executive arrangements (within the meaning of the Local Government Act 2000) shall not apply to the Combined Authority. However, the discharge of the functions of the Combined Authority will be subject to the scrutiny arrangements set out in section 7 below.

6.2 Decisions of the Combined Authority will be taken by the full meeting of the Combined Authority save where any committee of the Combined Authority has been established or power to take a decision has been delegated in accordance with the Combined Authority's constitution.

6.3 The Combined Authority may establish (or join/participate in as the case may be) committees, sub-structures, sub-committees and other arrangements (including a joint committee under the Local Government Act 1972) for delegating any powers and/or functions as it considers appropriate.

## **7. Scrutiny Arrangements**

7.1 The nine constituent councils of the Combined Authority will establish a joint Overview and Scrutiny Committee to exercise scrutiny functions over the Combined Authority. Each constituent council will appoint such elected members to the joint Overview and Scrutiny Committee as are required to achieve political balance across the area of the Combined Authority. Overview and Scrutiny membership must not include a Combined Authority member or a member of the Executive of a constituent council.

7.2 The Overview and Scrutiny Committee will have the power to-

- (a) Invite Combined Authority members and officers to attend meetings and answer questions
- (b) Invite others to attend the meetings
- (c) Review or scrutinise decisions or other actions taken by the Combined Authority
- (d) Make reports or recommendations to the Combined Authority
- (e) Require that a decision that has not been implemented be reconsidered by the members of the Combined Authority

7.3 Where the Overview and Scrutiny Committee makes a report it may also publish it and require a response from the Combined Authority.

- 7.4 The notice published must give the Combined Authority two months to consider the report.

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## Part 2 – Functions of the Combined Authority

### 8A. Introduction

- 8A.1 The prime purpose of the Combined Authority is to improve the exercise of statutory functions in relation to economic development, regeneration and transport in the Leicester/Leicestershire area leading to an improvement in the economic conditions and performance of the area including an improvement in the effectiveness and efficiency of transport.
- 8A.2 In pursuit of this prime purpose, the Combined Authority will have the functions set out in this paragraph 8 in relation to strategic economic development and transport. These include functions in relation to strategic planning policy (including the planning for future housing and employment land provision). For the avoidance of doubt, it is not intended that the Combined Authority would determine any specific planning application.
- 8A.3 The Combined Authority will exercise its powers and duties concurrently with the constituent councils (where constituent councils have the same functions). No constituent council is ceding existing functions to the Combined Authority.
- 8A.4 The constituent councils and the Combined Authority will agree operating protocols for the exercise of concurrent powers and duties by the Combined Authority. These protocols will recognise the strategic role of the Combined Authority and safeguard the role of constituent councils in local decision making and delivery.
- 8A.5 Notwithstanding the above, a constituent council and the Combined Authority may enter into arrangements under Section 101 of the Local Government Act 1972 and/or Section 9EA of the Local Government Act 2000 and the Local Authorities (Arrangements for Discharge of Functions) (England) Regulations 2012 to allow the delegation of functions from a constituent council to the Combined Authority. In all such cases, acceptance of a delegation will require a decision of the Combined Authority.

### 8B. Powers and Duties

The powers and duties of the Combined Authority will be as follows

#### 8B.1 Economic Development and Regeneration

(a) *Localism Act 2011*

Such functions of the constituent councils as are exercisable for the purpose of economic development and regeneration in reliance on the general power of competence under Section 1, Localism Act 2011.

(b) *Section 99 and Section 102A, Local Transport Act 2008*

The power to promote well-being in the area of the Combined Authority.

- (c) *Section 113A, Local Democracy, Economic Development and Construction Act 2009*  
The power to do anything the Combined Authority considers appropriate: for the purposes of carrying out any of its functions; purposes incidental to and/or indirectly incidental to carrying out its functions; connected to any of its functions; for a commercial purpose.
- (d) *Section 69, Local Democracy, Economic Development and Construction Act 2009*  
The duty of a local authority to prepare an assessment of economic conditions in its area.
- (e) *Section 142(2), Local Government Act 1972*  
The power of a local authority to arrange for the publication within their area of information relating to the functions of the authority, etc.
- (f) *Section 144, Local Government Act 1972*  
The power of a local authority to encourage persons to visit their area, etc.
- (g) *Sections 15ZA, 15ZB, 15ZC, 17A, 18A, 514A and 560A, Education Act 1996 (as inserted by Part 2 of the Apprenticeships, Skills Children and Learning Act 2009)*  
The duty to secure that enough suitable education and training is provided to meet the reasonable needs of 16-19 year olds, 19-25 year olds who are subject to learning difficulty assessment and persons who are subject to youth detention. The duty to co-operate with local authorities exercising these duties.
- (h) *Section 88(1)(a) and (b), Local Government Act 1985*  
Power to exercise the functions under the above provisions relating to the research and collection of information whether or not a scheme is made under Section 88.

## 8B.2 Transport

- (a) *Leicester and Leicestershire Transport Board*  
The Leicester and Leicestershire Transport Board will no longer exist and its role will be performed by the Combined Authority.
- (b) *Functions of Central Government*  
The Combined Authority shall exercise any function of Central Government delegated to the Combined Authority pursuant to any order made by the Secretary of State under Section 86, Local Transport Act 2008 and/or Section 104(1)(b), Local Democracy, Economic Development and Construction Act 2009 and/or Sections 15 to 19, Localism Act 2011.
- (c) *Section 108, Section 109 and Section 112, Local Transport Act 2000*  
The duty to develop and keep under review policies relating to transport in its area and to carry out its functions to implement those policies.
- (d) *Section 2, Road Traffic Reduction Act 1997*

The duty to prepare a report on the levels of local road transport and a forecast of the growth in those levels.

## **8C. The Combined Authority's Focus and Activities**

8.8 In exercise of the above, it is proposed that the Combined Authority will focus upon strategic economic development matters (including strategic planning policy) and strategic transport matters. These matters could include (without limitation):

(a) The development and implementation of:

- i. a joint economic vision for the area of the Combined Authority which will help shape: (aa) the decision making of the Combined Authority and the constituent councils; and (bb) the continuing work of the Leicester and Leicestershire Enterprise Partnership;
- ii. a strategic growth plan looking to 2050 for the area of the Combined Authority which will provide a robust, single strategic framework for the preparation of aligned investment plans and the planning for future housing and employment land provision by the constituent councils and the Leicester and Leicestershire Enterprise Partnership;
- iii. a strategic asset management plan to identify land and assets in public sector ownership and to outline how such assets/land could be managed to unlock land for growth, reduce costs and/or create long term revenue to support economic development and inward investment;
- iv. a single strategic transport master plan for the area of the Combined Authority and associated transport infrastructure investment strategy. These documents will guide long term investment in strategic highway and public transport infrastructure up to 2050; and
- v. a long term investment strategy for the Combined Authority area to influence the future development and monitoring by the constituent councils and/or the LLEP of investment plans;
- vi. a growth deal framework to guide the future work of the LLEP in developing growth deals for the Combined Authority area;

(b) The ongoing monitoring and review of the documents referred to in (a).

(c) The Combined Authority may also exercise its functions to secure funding from regional, national and EU funders in furtherance of the aims identified in the documents at (a) and potentially become the accountable body for such funding.

## Part 3 – Funding

### 9. Funding

- 9.1 The costs of the Combined Authority that are reasonably attributable to the exercise of its functions relating to economic development and regeneration (and any start-up costs) shall be met by the constituent councils.
- 9.2 The Combined Authority will agree an annual budget for the purpose of this expenditure.
- 9.3 The LLEP will not be required to provide funding to support the operation of the Combined Authority.

DRAFT



## Part 4 – Other arrangements

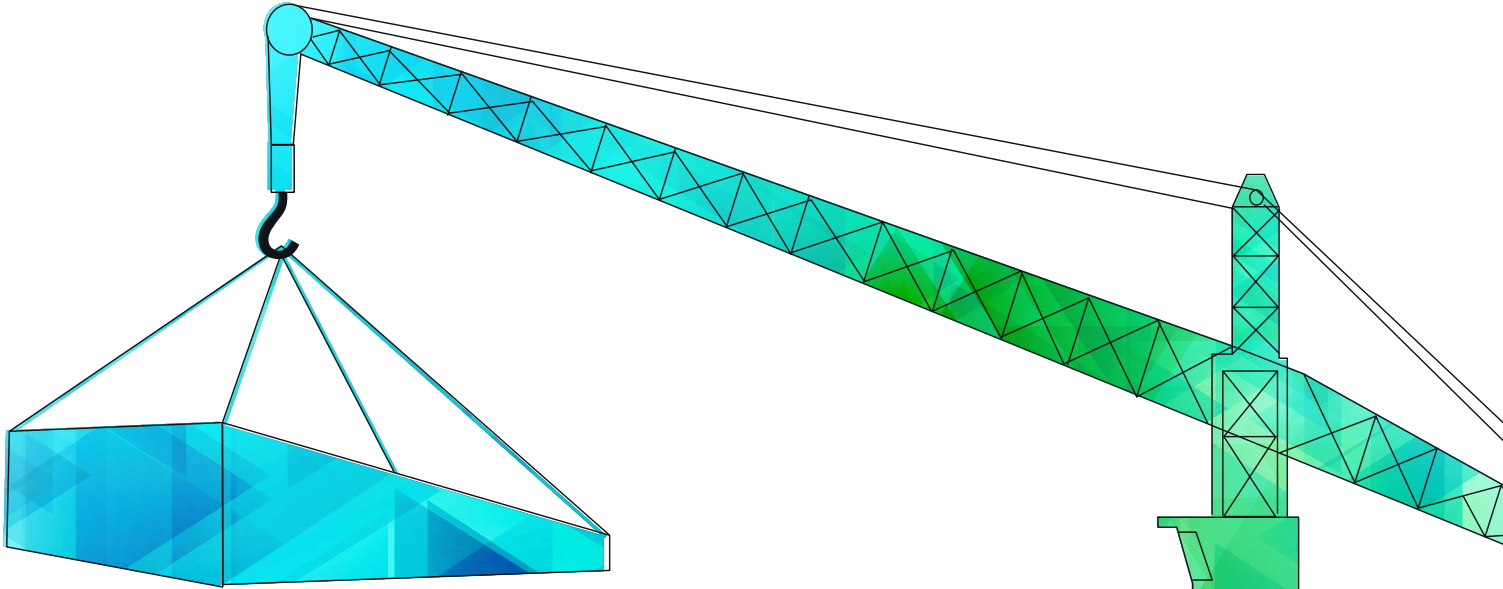
### 10. Relationship with Leicester and Leicestershire Local Enterprise Partnership and other Combined Authorities

- 10.1 A partnership between the public and private sector, the LLEP's vision is to "Create a vibrant, attractive and distinctive place with highly skilled people making Leicester and Leicestershire the destination of choice for successful businesses."
- 10.2 In addition to its non-voting membership of the Combined Authority, it is intended that the LLEP would be a lead advisory body to the Combined Authority and potentially provide leadership of particular Combined Authority projects and work streams.
- 10.3 It is recognised that the Combined Authority will need to coordinate its work closely with the equivalent Combined Authorities in neighbouring areas (including Nottinghamshire, Derbyshire, Warwickshire and the West Midlands). In particular, the Combined Authority would seek to establish arrangements with any established Combined Authorities (and Local Enterprise Partnerships) in Derbyshire and Nottinghamshire in order to ensure that effective governance can operate across the whole of this wider area.

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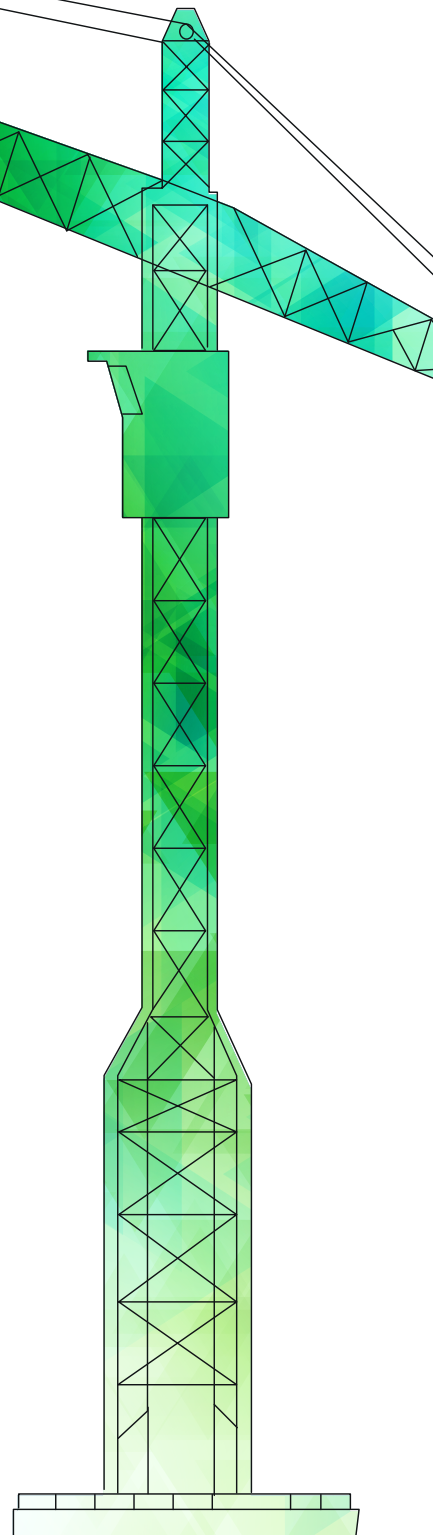
# Leicester Leicestershire

Delivering Growth Together



## Combined Authority Consultation Report

for the Leicester and Leicestershire  
Combined Authority



# Introduction and Methodology

The City, County and District Councils have consulted with the public and stakeholders on proposals to create a combined authority. The consultation involved a survey of residents, staff and stakeholders, but also included the invitation to submit views by letter or email.

The survey was made available on Councils' websites from 21 September 2015. This was accompanied by supporting information which set out the proposals in more detail.

The survey asked for views on the proposed model, the proposed functions to be included, and the how the existing governance arrangements had been documented (see Appendix 1 for the full questionnaire).

The consultation closed on the 20 October 2015 (a four week fieldwork window).

## Communications and media activity

The Combined Authority consultation was communicated in a number of ways, including:

- press releases sent to local, regional and local government media at the beginning of the consultation and again before the end
- in the County Council's newspaper to all county households, Leicestershire Matters
- social media messages on Twitter and Facebook from partners at key points throughout the consultation
- on all partner website front pages and consultation webpages
- to staff at partner councils, via intranet sites and staff emails
- email briefings and letters sent to MPs, business stakeholders, voluntary groups, councils in neighbouring areas and other interested parties

## Survey response rate

During the four week consultation window, 260 people responded to the survey. The majority (98.8%) took part by completing the online survey, with a small number (3) returning a paper copy of the survey.

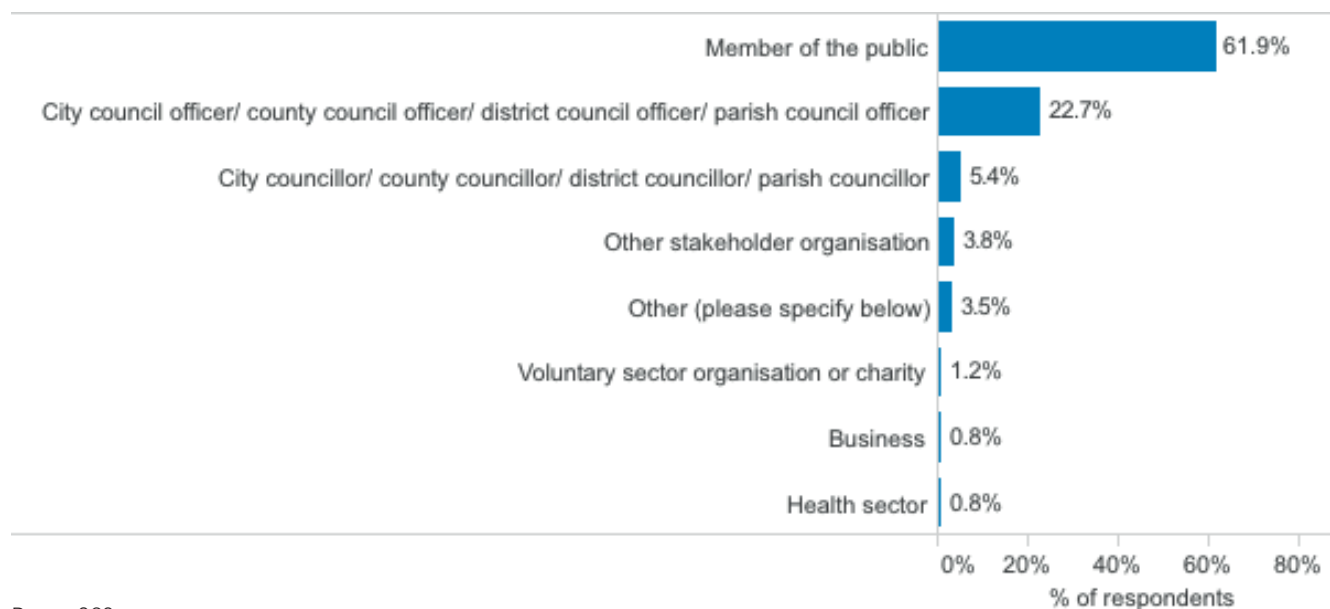
## Contents

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Appendix 3 - Are there any other functions that you think should be included in the scheme?	14

## Survey respondent profile

Chart 1 shows that most respondents who completed the survey were members of the public (61.9%). Other responses have been listed in Table 1.

### Chart 1 – In what capacity are you responding to this consultation?



Base = 260

Table 1 – Other, please specify (as written by the respondent)

City Council employee	2
CC employee	1
District Council	1
Homes and Communities Agency	1
Kibworth Harcourt Parish Council	1
Service manager for a community transport service	1
Youth services	1

Base = 8

Table 2 shows the stakeholder organisations which respondents represented – not all respondents chose to state their organisation.

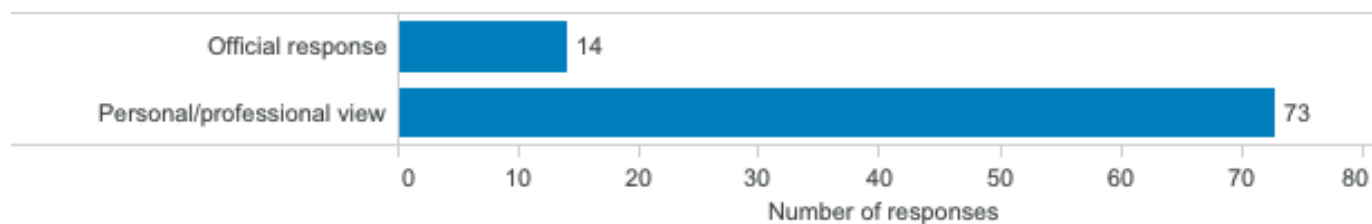
**Table 2 – Stakeholder organisations represented**

Leicester City Council	8
Leicestershire County Council	5
Claybrooke Magna Parish Council	3
Harborough District Council	3
Blaby District Council	2
Barwell Parish Council	1
Broughton Astley Parish Council	1
Campaign for Better Transport (Leicestershire)	1
Community Action Partnership	1
DMU	1
East Leicestershire and Rutland Clinical Commissioning Group	1
Enderby Parish Council	1
Federation of Small Businesses	1
Harborough District Councillor, Village Meeting Chairman	1
Homes and Communities Agency	1
Leicester Cathedral	1
Leicester City Clinical Commissioning Group	1
Leicester College	1
Market Bosworth Parish Council	1
Orbit	1
Road Haulage Association	1
Signing Network CIC	1
The National Forest Company	1
The University of Leicester	1
Woodhouse Parish Council	1

Base =41

Fourteen respondents from stakeholder organisations provided their organisation’s official response (Chart 2). These organisations are listed in Table 3 (two respondents did not provide their organisation’s name).

## Chart 2 – Are you providing your organisation’s official response to the consultation or a personal/professional view?



Base =87

### Table 3 – Official responses received from

Broughton Astley Parish Council
DMU
East Leicestershire and Rutland Clinical Commissioning Group
Enderby Parish Council
Federation of Small Businesses
Homes and Communities Agency
Leicester College
Market Bosworth Parish Council
Road Haulage Association
Signing Network CIC
The National Forest Company
Woodhouse Parish Council

Base =12

A demographic profile of those responding to the survey is reported in Appendix 2.

### Survey analysis - methodology

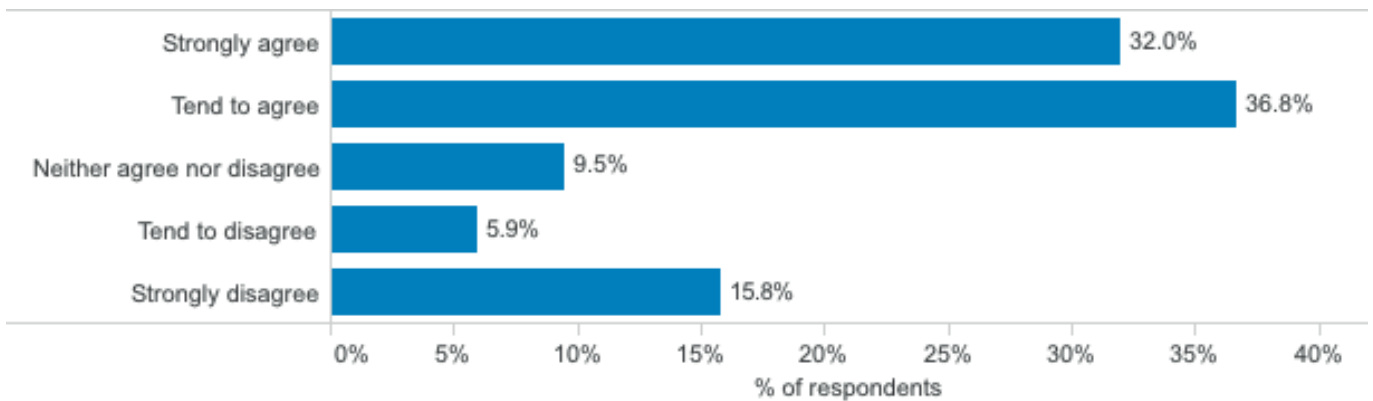
Graphs and tables have been used to assist explanation and analysis. Although occasional anomalies appear due to rounding differences, these are never more than +/- 1%. Question results have been reported based on those who provided a valid response, i.e. taking out the ‘don’t know’ responses and no replies from the calculation of the percentages.

# Survey Results Analysis

## Combined Authority governance model

Chart 3 shows that the majority of respondents (68.8%) agreed that, to enable economic and transport improvements, of the four options presented a Combined Authority is the best governance model for Leicester and Leicestershire. Just over a fifth of respondents disagreed (21.7%).

**Chart 3 – To what extent do you agree or disagree that, to enable economic and transport improvements, a combined authority is the best governance model for Leicester and Leicestershire?**



Base =253

Analysis of the open comments showed that respondents who ‘strongly agreed’ or ‘tended to agree’ with the statement commented that it would avoid duplication and provide value for money. They also commented that it would improve co-ordination between authorities, particularly as the functions of the Combined Authority related to issues which were wider than the current political boundaries.

*“Leicester and Leicestershire are strongly interlinked with people moving between city and county for work, shopping and leisure. A combined authority would allow for planning and transport decisions which took account of the needs of the city and the county residents.”*

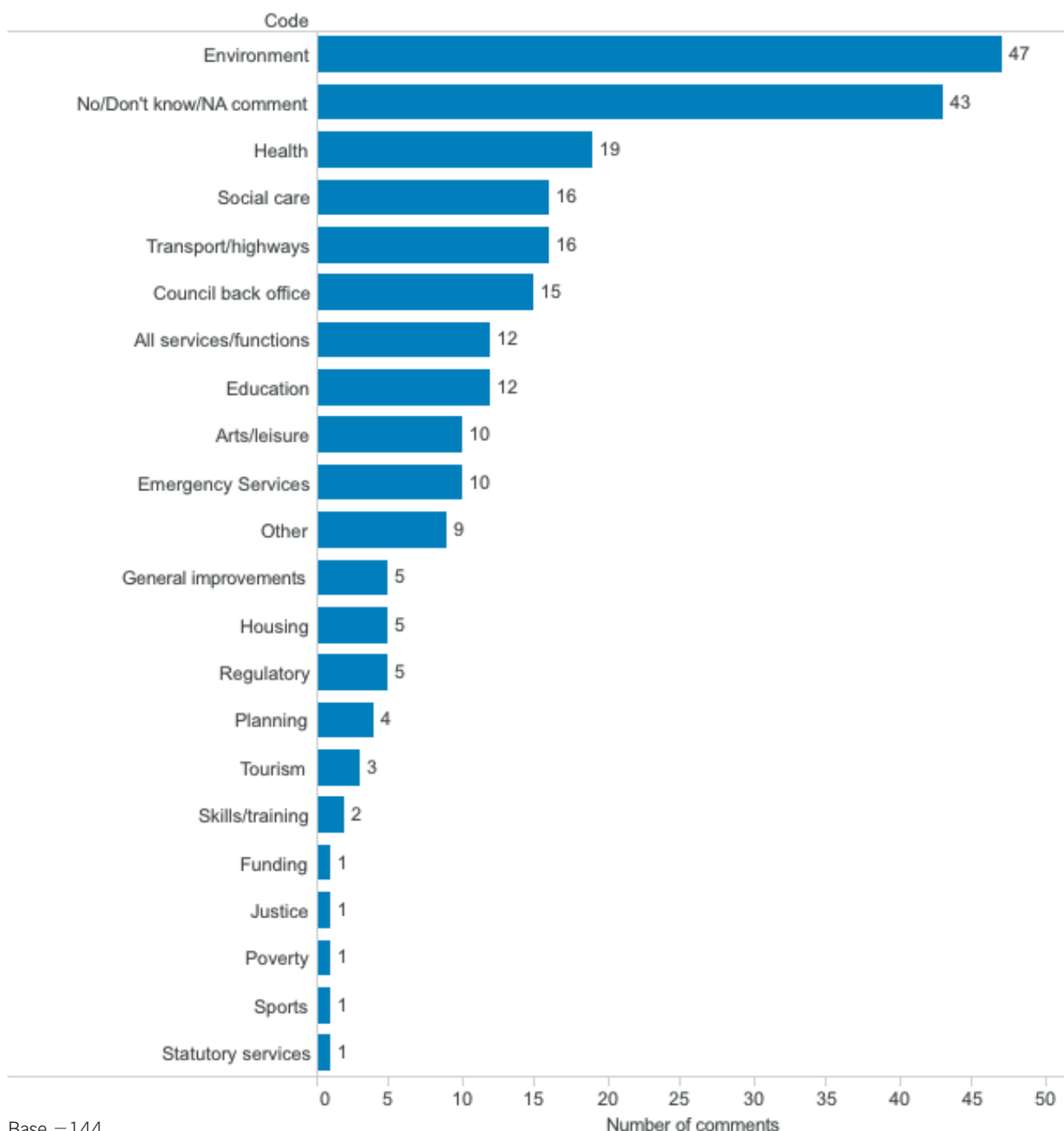
Respondents who either ‘strongly disagreed’ or ‘tended to disagree’ with the statement expressed concerns that local accountability would be lost and highlighted the difference between Leicester City and Leicestershire County, both in terms of political approach and the differing needs of the populations. Respondents also commented that the proposals would result in a decrease in democratic accountability.

*“I think a combined authority of the type being proposed would dilute and compromise an individual authority’s ability to act in the best interests of its residents and respond to their needs and views.”*



Respondents were also asked whether there were any other functions that they thought should be included in the scheme. Chart 4 shows a summary of the results.

### Chart 4 – Are there any other functions that you think should be included in the scheme?



Base = 144

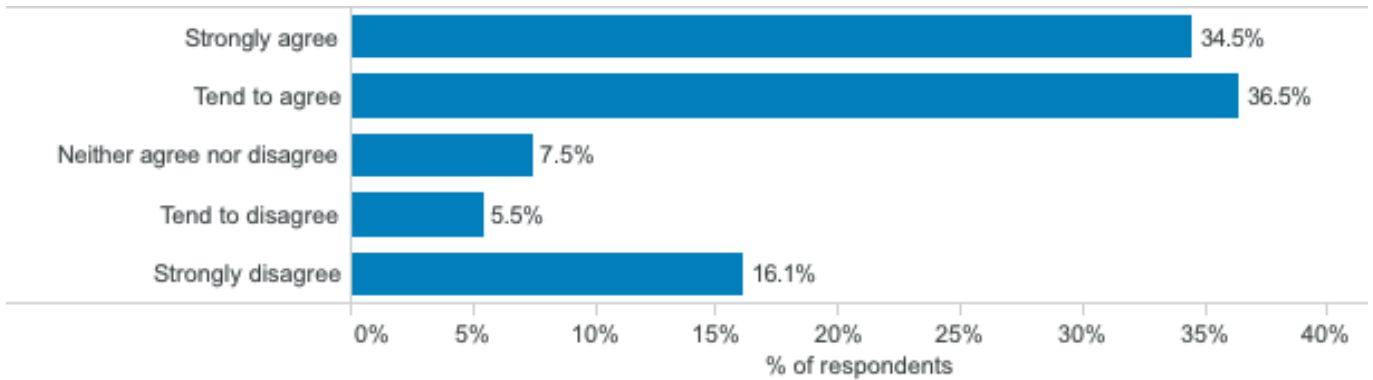
Note each response could contain more than one comment/point of view

Chart 4 shows that the most common functions mentioned by respondents were around the theme of the environment, followed by health, transport/highways, social care, and council back office functions. Appendix 3 provides a more detailed breakdown of these codes.

## Combined authority functions

Chart 5 shows that the majority of respondents (71.0%) agreed that the proposed functions are appropriate. Just over a fifth of respondents disagreed (21.6%).

### Chart 5 – To what extent do you agree or disagree that these proposed functions are appropriate?



Base =255

Respondents who ‘strongly agreed’ or ‘tended to agree’ with the statement commented that the functions set out in the Scheme were key issues affecting the whole of the combined authority area. Respondents commented that a joined up approach with these functions was in the best interests of the public and made economic sense.

*“These appear to be key areas affecting the whole of the city and county and so appropriate for a combined authority”*

There was a lack of consensus amongst respondents who ‘tended to agree’ with the statement with regard to skills. Some felt that co-ordination in this area would not be possible whereas others welcomed the focus on it.

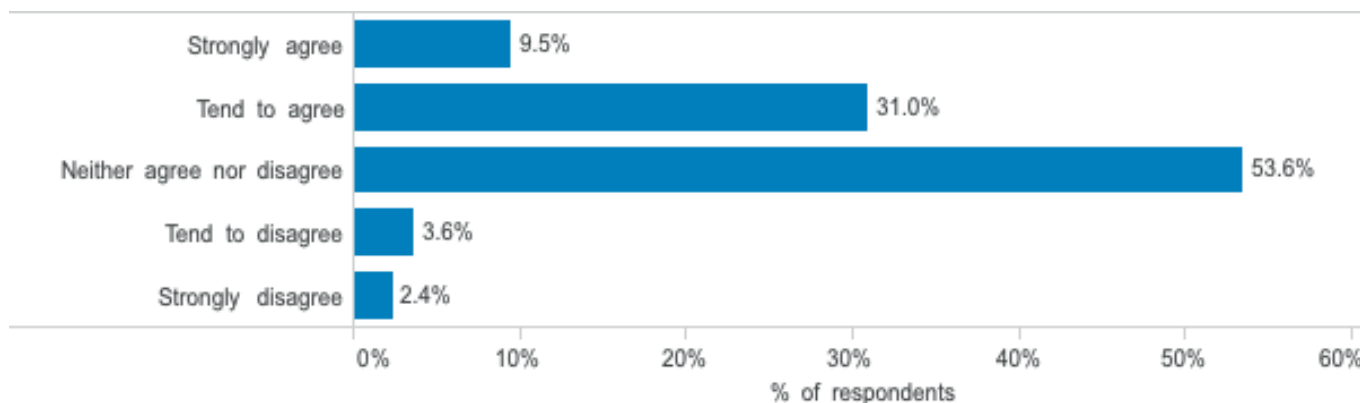
Respondents who ‘strongly disagreed’ or ‘tended to disagree’ with the statement expressed concerns that local accountability for functions would be lost, particularly with regard to planning and that some areas would benefit more than others.

*“With any group coming together there are compromises. This could lead to trade-offs between different areas which do not best meet residents requirements”*

## Existing governance arrangements

Chart 5 shows that the majority of respondents (53.6%) neither agreed nor disagreed that the governance review correctly outlines the existing governance arrangements. Just over 40% of respondents agreed and 6.0% disagreed.

## Chart 5 – To what extent do you agree that the governance review correctly outlines the existing governance arrangements?



Base =84

The majority of comments were from respondents who ‘neither agreed nor disagreed’ with the statement. Respondents felt that they did not have sufficient experience to comment in this area.

*“I’m not an expert on this subject so don’t feel my opinion is particularly useful”.*

### Any other comments on the proposals as a whole

Comments made by respondents included a wide range of issues, the most of common were:

- In support of the proposal to establish a combined authority;
- Concerns regarding the cost of establishing and administering a combined authority, including concerns that this would add an extra tier of government for the area;
- Concerns that the proposals will have an impact on local accountability;
- That the current arrangements are satisfactory;
- That the proposals are not sufficiently ambitious or that the establishment of a unitary authority should be considered instead of creating a combined authority;
- Concerns that political differences may limit progress.

## Other consultation responses

Letters providing an official response to the consultation were received from the East Midlands Airport, the Federation of Small Businesses and the East Midlands Chamber. These letters set out clear and positive positions in relation to the consultation proposals and are attached as Appendix 4 to this report. Appendix 4 also includes an email response from Andrew Bridgen MP which expresses concerns regarding the level of ambition in the proposal.

# Leicester Leicestershire

## Delivering Growth Together



## Have your say on the Leicester and Leicestershire combined authority proposal

### Introduction

The city, county and district councils are working on proposals to create a combined authority. A combined authority would not replace individual councils and their current services but would enable them to work more closely together on transport, planning, skills and other key issues affecting the whole area. The combined authority can only be formed if all councils agree and if the Government approves any proposals.

The councils concerned are: Leicester City Council; Leicestershire County Council; Blaby District Council; Charnwood Borough Council; Harborough District Council; Hinckley and Bosworth Borough Council; Melton Borough Council; North West Leicestershire District Council; and Oadby and Wigston Borough Council.

We'd like your views on our outline proposal.

All comments we receive during the consultation will be analysed and we will amend the proposals in the light of them. The amended proposals will then be considered by all the above councils. If all councils approve the proposals, we will submit them to the Government. We hope to be able to submit proposals early next year and would then expect a decision from ministers within a year.

---

Please note: Your responses to the main part of the survey (Q1 to Q7, including your comments) may be released to the general public in full under the Freedom of Information Act 2000. Any responses to the questions in the 'About you' section of the questionnaire will be held securely and will not be subject to release under Freedom of Information legislation, nor passed on to any third party.

Q1 In what role are you responding to this consultation? Please tick one option only

- Member of the public
- City councillor/ county councillor/ district councillor/ parish councillor\*
- City council officer/ county council officer/ district council officer/ parish council officer\*
- Business\*
- Health sector\*
- Emergency services\*
- Voluntary sector organisation or charity\*
- Other stakeholder organisation\*
- Other (please specify below)

Other (please specify)

Q2 \*If you represent a stakeholder, please provide your details:

Name:

Organisation:

Are you providing your organisation's official response to the consultation or a personal/professional view?

Please tick one option only

- Official response
- Personal/professional view

## Combined authority governance model

Recently we looked at possible governance models to enable economic and transport improvements in the local area. The preliminary findings of the governance review suggest the combined authority is the best governance model for Leicester and Leicestershire.

A combined authority is a legal arrangement which enables councils to work together more closely on issues around transport, planning and economic growth. They can help reduce duplication and bureaucracy. They are created to enable clearer co-ordination and decision-making, to drive forward decisions on transport, economic development and skills, giving local councils a stronger voice in discussions with the Government, neighbouring areas and developers.

There are alternatives to having a combined authority. For example, councils could continue to work together as they are, or set up a joint committee, or an economic prosperity board. However, none of these options give the full benefits of a combined authority and that is why a number of areas are applying to set up combined authorities. These are set out in our governance review.

Q3 To what extent do you agree or disagree that, to enable economic and transport improvements, a combined authority is the best governance model for Leicester and Leicestershire? Please tick one option only

Strongly agree

Tend to agree

Neither agree nor disagree

Tend to disagree

Strongly disagree

Don't know

Why do you say this?

### Combined authority functions

Part 2 of the draft scheme sets out the proposed functions of the combined authority. In summary, these are:

Planning: councils could work together to agree a clearer, long-term framework to meet future housing and employment needs for the whole area and identify future growth locations.

Transport: focussing on long-term investment in road, rail and other public transport infrastructure.

Skills: driving improvements in skills and training, to give local people the chance to get better qualifications and employment.

Q4 To what extent do you agree or disagree that these proposed functions are appropriate? Please tick one option only

Strongly agree

Tend to agree

Neither agree nor disagree

Tend to disagree

Strongly disagree

Don't know

Why do you say this?

## About you

Leicestershire County Council is committed to ensuring that its services, policies and practices are free from discrimination and prejudice and that they meet the needs of all sections of the community.

We would therefore be grateful if you would answer the questions below. You are under no obligation to provide the information requested, but it would help us greatly if you did.

Q8 Are you male or female? Please tick one option only

Male

Female

Q9 What was your age on your last birthday? (Please enter your age in numbers not words)

Q10 What is your full postcode?

Q11 Do you have a long-standing illness, disability or infirmity? Please tick one option only

Yes

No

Q12 What is your ethnic group? Please tick one option only

White

Black or Black British

Mixed

Other ethnic group

Asian or Asian British

**Thank you.**

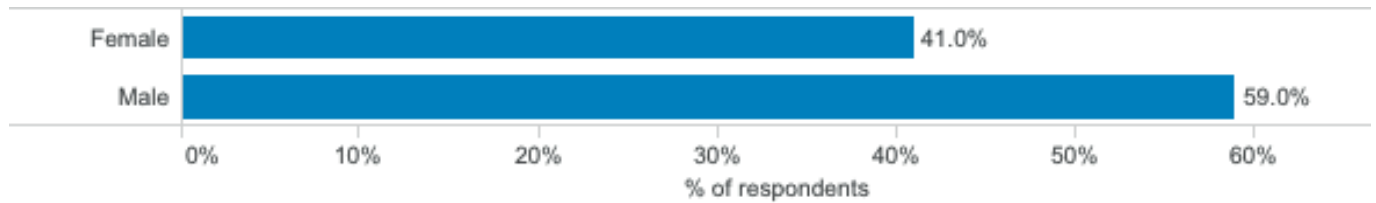
**Please return by 20th October 2015 to:** Combine Authority Consultation, Room 300B, Leicestershire County Council, Have Your Say, FREEPOST NAT18685, Leicester, LE3 8XR. No stamp is required.

**Data Protection:** Personal data supplied on this form will be held on computer and will be used in accordance with the Data Protection Act 1998. The information you provide will be used for statistical analysis, management, planning and the provision of services by the county council and its partners. Leicestershire County Council will not share any information collected from the 'About you' section of this survey with its partners. The information will be held in accordance with the council's records management and retention policy. Information which is not in the 'About you' section of the questionnaire may be subject to disclosure under the Freedom of Information Act 2000.

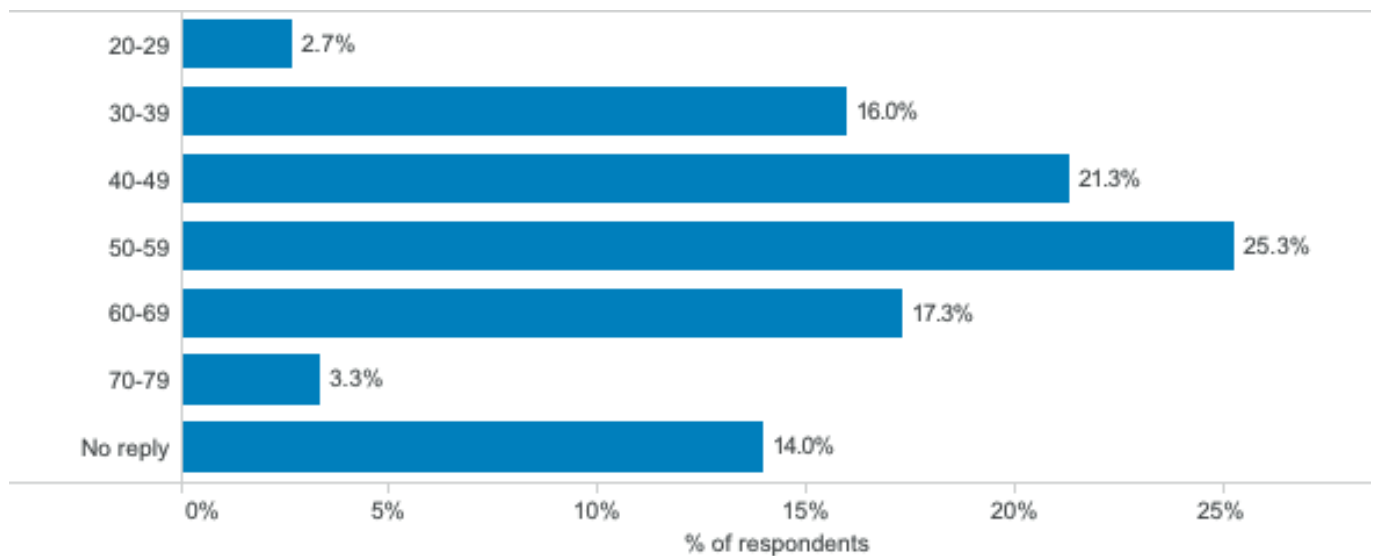
## Appendix 2 – Respondent profile

The charts below show the demographic profile of the members of the public who responded to the survey (stakeholders were not asked these questions).

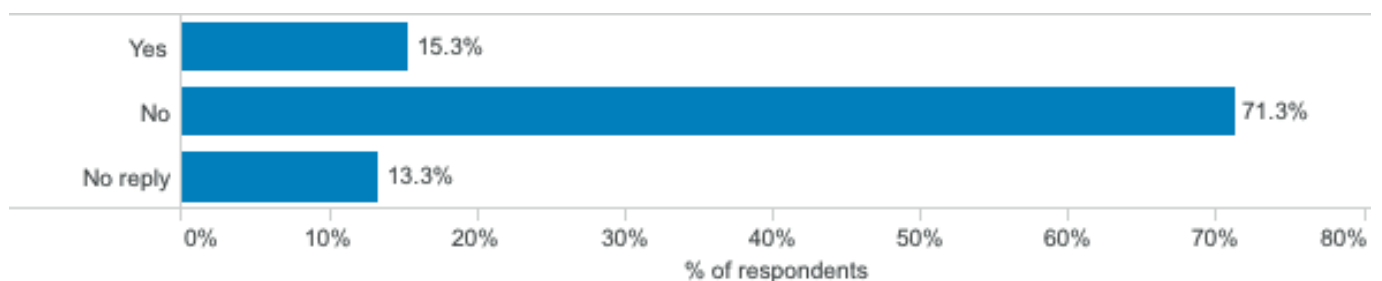
### Are you male or female?



### What was your age on your last birthday?

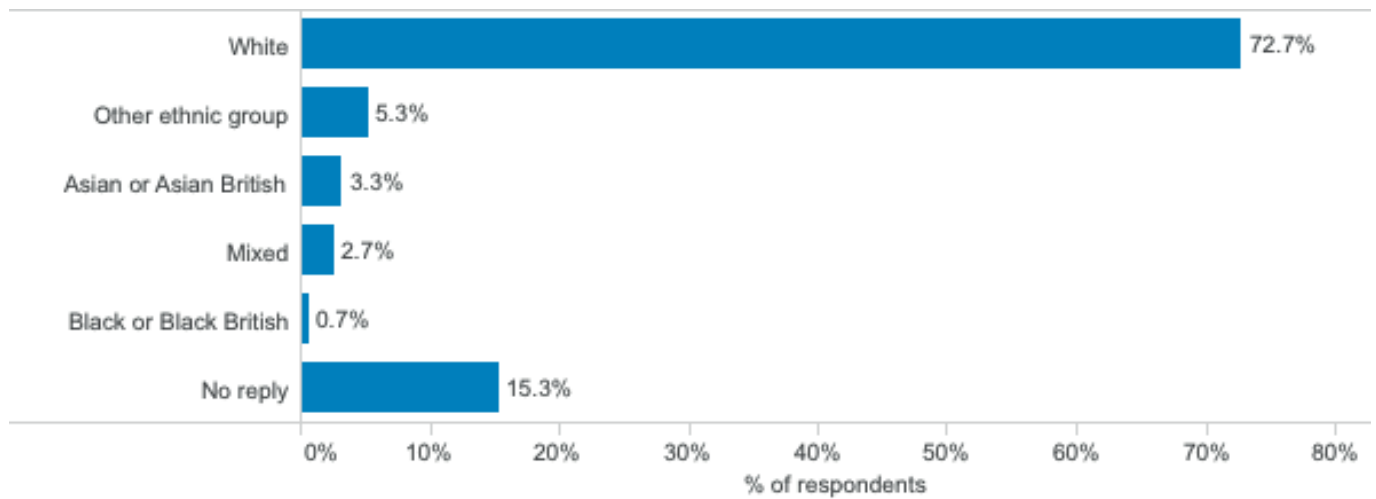


### Do you have a long-standing illness, disability or infirmity?

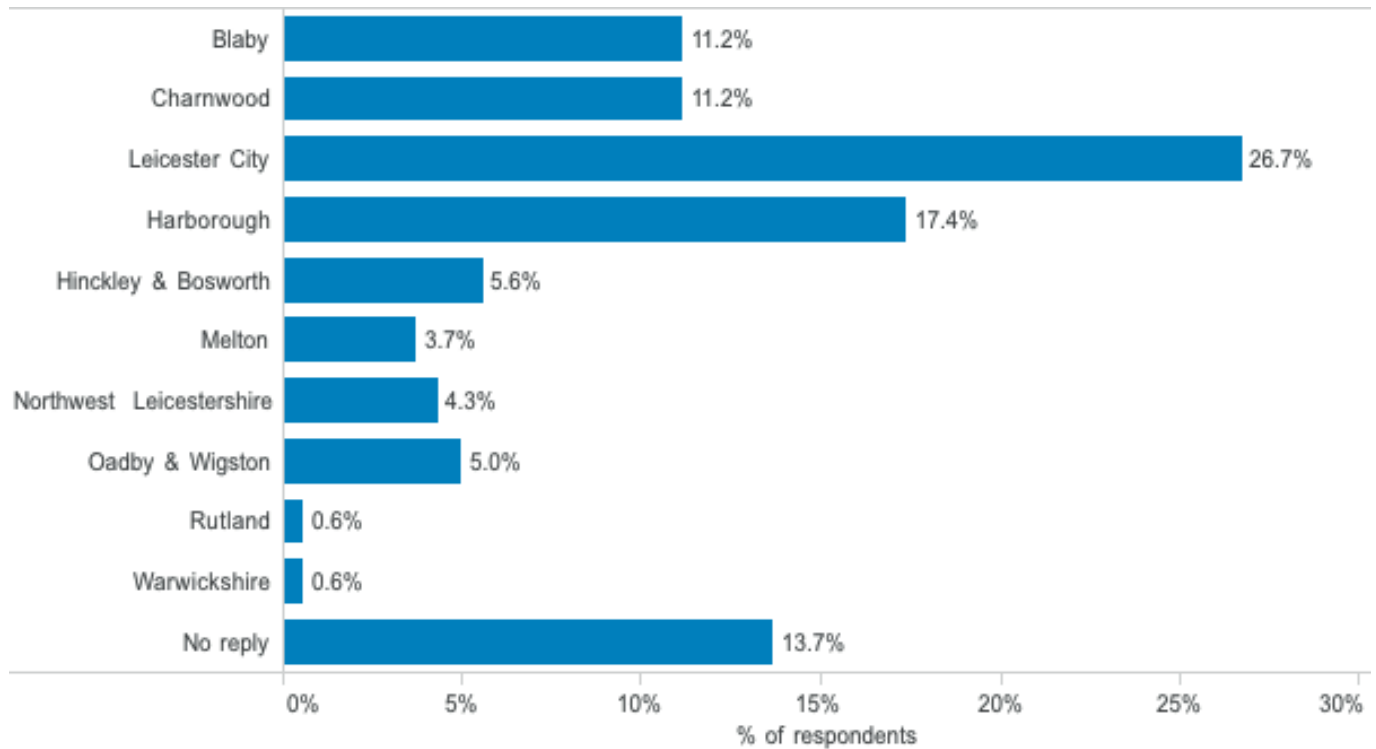




## What is your ethnic group?



## District (What is your postcode?)



## Appendix 3 – Are there any other functions that you think should be included in the scheme?

Code	Sub code	Count			
<b>Environment</b>	Waste Management	22	<b>Arts/leisure</b>	Leisure facilities	4
	Recycling	9		Arts/culture	4
	Environmental concerns	9		Museums	1
	Green/Renewable/Sustainable - Energy	2		Libraries	1
	Energy	2	<b>Emergency Services</b>	Police	6
	Maintenance of parks/verges	1		Fire services	3
	Green/Renewable/Sustainable - Transport	1		Emergency services	1
	Green/Renewable/Sustainable - Other	1	<b>Other</b>	Other	9
<b>No/Don't know/NA comment</b>	No/Don't know/NA comment	43	<b>General improvements</b>	Improve operations - General comment	5
<b>Health</b>	Health	19	<b>Housing</b>	Housing	5
<b>Transport/Highways</b>	Transport	3	<b>Regulatory</b>	Licensing	2
	Parking	3		Trading Standards	1
	Traffic management	2		Registrars	1
	Street lighting	1		Coroners	1
	Road gritting	1	<b>Planning</b>	Planning	4
	Road cleaning	1	<b>Tourism</b>	Tourism	2
	Lorry parking	1		Festivals	1
	Lift freight delivery restrictions	1	<b>Skills/training</b>	Training	1
	Highways/roads	1		Apprenticeships	1
	Freight priority lanes	1	<b>Funding</b>	Funding schemes	1
	Depots	1	<b>Justice</b>	Courts	1
	Cycling infrastructure	1	<b>Poverty</b>	Poverty	1
	Consolidation centres/freight parks	1	<b>Sports</b>	Sports development	1
	<b>Social care</b>	Social care/social services	14	<b>Statutory services</b>	Statutory services
Meals on wheels		1			
Care for elderly		1			
<b>Council back office</b>	Procurement/commissioning	5			
	Admin	3			
	IT infrastructure	2			
	Consultation	2			
	Human Resources	1			
	Finance	1			
	Equality and diversity	1			
<b>All services/functions</b>	All services/functions	12			
<b>Education</b>	Education	11			
	School meals	1			

Base = 144

Note each response could contain more than one comment/point of view

## Appendix 4 – Additional consultation responses



### East Midlands Chamber (Derbyshire, Nottinghamshire, Leicestershire)

#### Response to consultation on the formation of a Combined Authority for Leicester and Leicestershire

East Midlands Chamber (Derbyshire, Nottinghamshire, Leicestershire) welcomes the opportunity to provide its views on the proposed development of a Combined Authority in Leicester and Leicestershire, an area in which it has over 900 members.

The Chamber's comments relate in the main to the proposed functions, focus and activities, as opposed to the proposed governance arrangements. We would, however, note that the proposed role for the Chair of the LLEP is welcome. Leicester and Leicestershire Enterprise Partnership has been a success for the area to date in helping promote the needs of business and its continued involvement would be an important element in any Combined Authority model.

It is also important to clearly state that it is vital for the success of a combined authority that it not be seen as another layer of governance, and therefore ensuring a strong, coherent plan of activity and communication of that is of the utmost importance.

Economic development, regeneration and transport are all areas that the Chamber believes would be more effectively addressed at the proposed combined authority level. Businesses and employees cross boundaries as a matter of course and so it is appropriate that an approach to economic development also looks cross-border. The Chamber would highlight three areas where better joined up activity would support enhanced business growth:

- **Skills provision:** in particular, ensuring that colleges and training providers are understanding and responsive to the needs of local employers and that provision can be designed around these needs, both for today and into the future.
- **Planning/land availability:** considering both commercial and residential developments, the lack of consistent local plans creates barriers in planning and creates a system that is disjointed and often weighted towards local pressures/drivers as opposed to the strategic needs of an area. Chamber members frequently highlight frustrations with planning as it stands, both from the viewpoint of developers and also businesses looking to move premises and struggling to find something suitable.
- **Transport:** ensuring a cross-boundary approach to investment in road networks – many journeys on these networks are transitory across boundaries and by understanding and responding to key travel flows a 'whole journey' approach can be developed, reducing congestion and boosting productivity.

While the Chamber is wholly supportive the intention to develop a joint economic vision and strategic growth plan to 2050, it is vital that any such vision and growth plan also be cognisant of – and engage with – activity taking place in localities surrounding the proposed Combined Authority area, where there are many joint economic interests and opportunities. Indeed, the importance of getting this right is only

heightened by similar moves in neighbouring areas, where developments are at a more advanced stage. A Combined Authority for Leicester and Leicestershire will support this by putting the area on a closer to equal footing.

Finally, while it is appreciated that this consultation marks one stage within a process, the Chamber recognises that the development of Combined Authorities and the wider devolution agenda is politically a fast moving one. Therefore, we would urge decision makers in Leicester and Leicestershire to continue to be seek opportunities for enhanced partnership working, both within the city and county boundaries but also with others where the interests are similar and deeper partnership would further support the positive development of the Leicester and Leicestershire economy and those who live and work in it.

**To discuss this submission further please contact:**

**Scott Knowles, Chief Executive, [scott.knowles@emc-dnlc.co.uk](mailto:scott.knowles@emc-dnlc.co.uk)**

**Chris Hobson, Director of Policy and External Affairs, [chris.hobson@emc-dnl.co.uk](mailto:chris.hobson@emc-dnl.co.uk)**



## **FSB Response to the Combined Authority Consultation**

### **Q3 - We strongly agree.**

Businesses do not recognise authority boundaries as helpful to an effective transport system. They want seamless movement of labour across the whole LLEP area. There are opportunities for improved productivity and convenience through smart ticketing across such a seamless area.

Businesses do not consider authority boundaries as helpful in the execution of economic development strategies from the LLEP. They introduce significant handicaps into the process for providing development space for housing and economic activity. The differences in approach to inward investment activity between the City and County have been depressing to observe. Businesses expect consistent deployment of business support, such as local sign-posting to LLEP and other sources, to be consistent across post codes.

However, the successful delivery of these expectations will rest on effective governance arrangements and truly integrated working with an absence of frontiers. We look forward to an opportunity to comment on proposals to achieve this. Issues of accountability, transparency and accessibility for business input will be of particular interest.

### **Q4 - We strongly agree.**

Part of the transport rationale for a combined approach is outlined in Q3. In parallel with the delivery of transport services, there is the underlying issue of transport infrastructure, both the development and maintenance thereof, where authority boundaries make no apparent sense when it comes to rational allocation of scarce resources.

Planning authority partitions are demonstrably disabling the mechanisms required to meet the needs of the local economy. For instance the City boundary appears to be a real obstacle to providing adequate workplace development space for LLEP key industries such as food. There is a wide-spread and continuing need for affordable work space for small businesses – the life blood of the local economy.

With the area still growing well, and approaching nominal full employment, then we urgently need more housing to attract more labour. The location of that housing and how it links to the employment centres, together with the necessary social infrastructure of schools, healthcare, retail outlets etc, is a pressing task that has to be addressed under one authority without frontiers.

Businesses expect that a combined planning authority will deliver planning decisions and regulation more consistently than the situation they currently have to deal with.

The vital, parallel approach to nominal full-employment has to be a drive for increasing productivity in the LLEP area. The statistics show that this area is below national averages in educational attainment, in skill levels and consequently in productivity. Standard of living rests fundamentally on productivity. The “living

wage” issue will only be solved, as opposed to mitigated with unintended consequences, by increasing productivity. Productivity rests on investment and on training. We look to the combined authority to take a seamless approach to delivering a workforce through the FE colleges and other routes that meets the needs of businesses. That may need a change to what the colleges understand by “meeting demand”. Too often this appears to mean meeting demand expressed by students seeking to enrol. This approach delivers surpluses who cannot apply their training and chronic shortages illustrated by vacancies which cannot be filled.

However, the same comments on governance made in Q3 still apply.

#### **Q5 –**

As a consequence of combining planning functions, we believe that Section 106 funds should also be pooled and applied to development infrastructure where rationally required, rather than within the local authority boundary within which it is “earned”.

Inward investment should be specifically identified as within the ambit of the combined authority. Business people cannot understand the apparent lack of clarity, over a protracted period, of the role, scope and remit of the inward investment effort in the County vs the City. Potential investors also need to see a single entity and single point of contact for the whole LLEP area.

It would be helpful if the Combined Authority was specifically tasked with the development and maintenance of a “foreign office” for developing plans and joint ventures with authorities in neighbouring LLEP areas.

#### **Q6. – Tend to agree**

We tend to agree that the review correctly outlines the existing governance arrangements. However, the language used needs to be sharpened up to differentiate the roles of the Combined Authority from that of the LLEP.

There is such widespread use of “strategic”, “economic development”, “growth” etc that the lines get blurred. For instance, under heading 6, “There is no single formally constituted body with responsibility for taking decisions related to economic growth....” “...no single entity with responsibility for taking decisions on economic development....”. Any suggestion of dilution of the role of the LLEP would be retrograde and very damaging. Sharper distinction between delivery and strategy might help.

It would be helpful if the language used separated the topic of spatial planning from that of economic development for governance purposes.

There is no discussion about how a newly constituted Combined Authority would be represented on the LLEP Board.

Dave Nicholls

Regional Chairman



(t) 0161 489 3751  
(m) 07958 876663  
jon.bottomley@eastmidlandsairport.com

20 October 2015

Simon Lawrence  
Programme Manager  
Leicestershire Combined Authority

By E-Mail

Dear Simon

### Consultation on the Proposed Combined Authority for Leicestershire

We are responding to the public consultation on the proposal to create a combined authority for Leicester and Leicestershire. As one of the County's major businesses, East Midlands Airport welcomes the opportunity to make comments and provide some observations on the proposed arrangements for closer collaboration and joint-working between the local authorities in Leicestershire.

East Midlands Airport is located in North West Leicestershire and is the largest single employment site in the County. It is a significant regional airport handling 4.5 million passengers a year serving the Midlands and part of East Anglia. The Airport also plays a national role as the UK's largest express freight hub. Some 7,000 people work on the Airport site and it is estimated that the Airport generates £263m of annual GVA for the East Midlands region.

The local authorities and the Leicester and Leicestershire Enterprise Partnership have a range of priorities and policies to boost the County's economy, to create jobs and to improve transport and planning. A more unified approach through a combined authority would provide a greater level of clarity, reduce duplication and importantly provide a strategic approach and direction for developers and investors. This would ensure that across the County, the focus is on strategies, policies and measures that seek to deliver the greatest overall benefit for Leicestershire. A collective approach through a combined authority will also give the local authorities and partners across the County a single and stronger voice in discussions with Government, regional partners, businesses and investors.



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East Midlands Airport supports the approach to closer and more collective working between local authorities. This will enable clearer and more strategic decision-making, delivering an ambitious approach to transport, planning and the development of jobs and skills. Combined Authorities have been established in neighbouring areas and it is important that Leicester and Leicestershire are able to capitalise on the benefits that such a partnership will bring.

We hope that these comments are helpful as part of the consultation process.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Jon Bottomley', followed by a long horizontal line that ends in a stylized flourish.

Jon Bottomley  
PRINCIPAL PLANNER



From: **BRIDGEN, Andrew**  
Sent: **20 October 2015 15:21**  
To: **Leader**  
Subject: **RE: Combined Authority**

Dear Nick,

With reference to the Combined Authority, I have real concerns that our bid will not be seen as substantial enough. Around us we have Northamptonshire combining with Oxfordshire and Buckinghamshire, Lincolnshire looking at East Yorkshire and Derbyshire and Nottinghamshire are combining with the prospect of a Mayor and the powers that would bring. I also understand that a lot of their bid centres on the employment opportunities around East Midlands Airport based of course in our County and in my constituency.

I do feel that it is inevitable that we will have to form some alliance with these two counties given our historic links being part of the so called Golden Triangle. I understand yesterday that the leader of Nottinghamshire County Council extended an invitation for Leicester and Leicestershire to join their bid and whilst I understand you have said recently it is 'too late', I would urge you to look at this again and see what options there are to join that bid. I will be happy to raise the matter with the Secretary of State to see what assistance he and his Department can offer to facilitate this, indeed I am in receipt of a handwritten note from him following my speech in the House last week agreeing with my promotion of the idea. I fear if we do not act soon, the County and the City will be left behind as our bid simply will not have the critical mass required.

Kind Regards,

Andrew Bridgen

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**NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL**

**CABINET – 10 NOVEMBER 2015**

Title of report	<b>NEW BUILD PROPOSALS FOR COUNCIL HOUSING</b>
Key Decision	a) Financial Yes b) Community Yes
Contacts	Councillor Roger Bayliss 01530 411055 <a href="mailto:roger.bayliss@nwleicestershire.gov.uk">roger.bayliss@nwleicestershire.gov.uk</a>  Director of Housing 01530 454819 <a href="mailto:glyn.jones@nwleicestershire.gov.uk">glyn.jones@nwleicestershire.gov.uk</a>
Purpose of report	To provide Cabinet with an update on the preparation work undertaken to date in relation to the Council's proposed new build programme pilot and seek approval to proceed
Reason for Decision	To seek Member approval to progress the proposed schemes included in the recommendations.
Council Priorities	Value for Money Business and Jobs Homes and Communities Green Footprints Challenge
Implications:	
Financial/Staff	Costs to be met from commuted sums towards affordable housing already acquired through s106 of Town and County Planning Act 1990; capital held within the housing revenue account including one for one commitments arising from capital retained, and forecast, from right to buy receipts.
Link to relevant CAT	None
Risk Management	Risks would be managed through the Housing Project Board (chaired by the Director of Housing), the successor body to the HRA Business Plan Project Board. A senior representative from Legal would also join the Project Board for consideration of new build business.

Equalities Impact Screening	The risk of the delivery of affordable housing by developing registered providers reducing could impact detrimentally on those households on the Housing Register waiting to be housed, some of whom are the most vulnerable residents in the District. By pursuing these development opportunities the Council will help mitigate the risk, including regenerating a site which is located in the ward with the highest level of economic deprivation in the District.
Human Rights	No implications
Transformational Government	N/A
Comments of Head of Paid Service	Report is satisfactory
Comments of Deputy Section 151 Officer	Report is satisfactory
Comments of Monitoring Officer	Report is satisfactory
Consultees	<ul style="list-style-type: none"> <li>Residents of the neighbourhoods in and around Willesley Estate, Ashby and Greenacres, Linford &amp; Verdon Crescent, Coalville.</li> </ul>
Background papers	<a href="#">Emerging Issues Affecting Affordable Housing Delivery Cabinet 22 September 2015</a> <a href="#">Proposal to Acquire Brownfield Site Cabinet 22 September 2015</a> <a href="#">Housing Asset Management Strategy Cabinet 20 October 2015</a>
Recommendations	<p><b>IT IS RECOMMENDED THAT CABINET:</b></p> <p><b>A) NOTES THE INVESTIGATORY PREPARATION WORK UNDERTAKEN TO DATE;</b></p> <p><b>B) SUBJECT TO POSITIVE LAND, UTILITY SEARCHES AND CONFIRMATION FROM THE EXTERNAL HEALTH CHECK, APPROVES THE PROPOSAL TO INCLUDE THE FOLLOWING 3 SCHEMES IN THE INITIAL NEW BUILD PROGRAMME:</b></p> <ul style="list-style-type: none"> <li><b>WILLESLEY ESTATE SITES X 2 (ASHBY);</b></li> <li><b>GREENACRES, COALVILLE; AND</b></li> <li><b>THE BROWNFIELD SITE, COALVILLE (IF SUCCESSFULLY ACQUIRED);</b></li> </ul>

	<p><b>C) AT THE APPROPRIATE TIME, RECEIVES A FURTHER REPORT FROM THE DIRECTOR OF HOUSING RECOMMENDING THE MOST APPROPRIATE METHOD OF DELIVERING THE NEW BUILD UNITS.</b></p>
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## 1.0 BACKGROUND

- 1.1 In autumn 2014, the Council commissioned Housing Quality Network (HQN) to undertake an options appraisal of how the Council could increase the number of council-owned homes through new build and acquisitions. The HQN report was concluded in January this year and recommended that the pilot schemes for years 1 to 2 should include sites already held by the housing department and that are available for development. A copy of the HQN report is attached at Appendix 1.
- 1.2 Suggested pilot schemes included in the HQN report for years one to two were:
- Ashby (Willesley Estate)** – Smedley Close garage site and piece of land at bottom of Staley Avenue with potential to redevelop homes for affordable rent. (Plan at Appendix 2)
- Westgate, Ibstock**, - a sheltered scheme that has been empty for some time with the potential to develop up to 18 homes.
- Greenacres, Greenhill**, potential for up to 15-16 new homes, ideally many of these to be one bedroom, general purpose properties, although the redevelopment will need to be sensitive to the existing community who are mostly older. Local residents are also keen to retain a community facility on this site. (Plan at Appendix 3)
- 1.3 Since the HQN report was produced, Cabinet has agreed at its meeting on 22 September 2015 to decommission Westgate and, subject to a cash ceiling, for the Director of Housing to negotiate the acquisition of a brownfield site in Coalville, which together with an adjacent plot of council land would provide the potential to develop a further 12-20 affordable homes for rent. (Plan at Appendix 4)
- 1.4 The housing service proposes to include the following three schemes in its initial new build programme:
- Ashby (Willesley);  
Greenacres, Coalville; and  
the brownfield site, Coalville** (if successfully acquired).
- 1.5 Follow on schemes may include decommissioned sheltered blocks at Westgate, Ibstock and Woulds Court, Moira, and other corridor based, sheltered housing blocks that are unpopular. Any future new build proposals may be dependent on obtaining funding via the private sale of one or more sheltered blocks.
- 1.6 Delivery of the Asset Management Strategy (AMS) will ensure that the unpopular schemes at Queensway House, Measham, Wakefield Court, Castle Donington and St

Mary's Court, Hugglescote are all reviewed by 31 December 2015 and the remaining 5 schemes by 31 July 2016. The outcome of the reviews will inform whether the Council needs to either invest in them to make them more attractive, or decommission.

- 1.7 Similarly, there are a number of communal garages sites and hard-standing parking areas that will be reviewed by March 2016 and, unless there are exceptional circumstances that are defined in the AMS, they too will be decommissioned.
- 1.8 Recommendations for the future of all decommissioned units of accommodation and/or communal garages sites and hard-standing parking areas will then be made based against a range of criteria set out in the AMS.

## **2.0 HOUSING DEMAND AND ALLOCATION OF NEW HOMES**

- 2.1 The Leicester and Leicestershire Strategic Housing Market Assessment (SHMA), June 2014, indicates a need for 212 new affordable housing units each year from 2011 to 2036 to meet the level of need across the district. During 2013-14 and 2014-15 the numbers delivered were 117 and 110 respectively, and although these were high compared with previous years, they fall well short of the SHMA requirements.
- 2.2 Demand for affordable housing in the district remains high. The housing register increased by more than 50% in the year from April 2014 (550 applicants) to April 2015 (840), despite more than 500 applicants being housed into social rented homes during the same period. The greatest demand is for smaller 1 and 2 bedroom general needs homes.
- 2.3 There are 162 applicants on the housing register wanting to live in Ashby. This equates to 19% of the housing register and of these, 82% or 133, are eligible for smaller 1 and 2 bedroom general needs homes.
- 2.4 There are a further 210 applicants on the housing register who want to live in Coalville (representing 25% of the housing register). Of these, 83% or 174, are eligible for smaller 1 and 2 bedroom homes.
- 2.5 Although the pilot schemes, if approved, will be developed in Ashby and Coalville, these new homes will help meet the housing demand across the District and will be let in accordance with the current Allocations and Lettings Policy. Other than in exceptional circumstances, this requires all housing applicants to demonstrate a District connection, evidenced by the fact that they have lived in the district for a prescribed period of time (minimum last 6 months), or are employed in the District on a minimum 12 month contract, or have parents, siblings or adult children who have lived in the District for at least 5 years.
- 2.6 In order to ensure the success of any new schemes, the housing service will use the flexibilities within the Allocations and Lettings Policy that provide for the development of local lettings plans for new developments. Accordingly, whilst all home seekers will need to have a District connection, the lettings plans will allow the council to restrict adverts to, or award extra priority to, certain types of home seekers e.g. new applicants or transfer cases, applicants in work, or to those with a particular level of housing priority.

### 3.0 ACTION AND FINDINGS TO DATE

3.1 Some preliminary work has been undertaken in relation to the 3 proposed schemes set out in paragraph 1.4 above, including:

- a) **Land and utility searches to identify any potential constraints to development** – details will be necessary to determine site layout and used to inform final delivery numbers. Legal Services are concluding this work and anticipate all information being with us before the end of October.
- b) **Pre-application advice sought regarding potential layout design and density** – responses from planning and development colleagues indicate that all 3 proposed schemes are within the limits to development so the principle of redevelopment of the sites for residential purposes would be acceptable subject to other material planning considerations including design, residential amenity, highways, and National Forest issues as well as contamination and River Mease Special Area of Conservation issues in respect of the Willesley site. The pre-application advice, together with input from the Urban Designer (see below), has informed our current projection of unit types and numbers that might be delivered on each of the 3 sites having particular regard to associated parking requirements.
- c) **Consultation with the Council's Urban Designer** – we have undertaken site visits with the Urban Designer who, subject to the quality of design, is supportive of redeveloping the sites and has provided a clearer indication of acceptable densities. He has suggested a particularly innovative approach in respect of the redevelopment of the Greenacres sheltered scheme which, if adopted, would likely foster higher levels of support and ownership from the nearby residents than was apparent from the recent consultation exercise (Consultation feedback detail is available from the Housing Choices Team Manager).

The suggested approach would be for the Council to draw up a broad scheme specification for Greenacres, including maximum number and size of homes needed, local demography information, any ground and financial constraints, resident feedback to date and perceived areas of concern. This specification would then be presented to 3 small groups of planning and design students at Nottingham University, who under the supervision and guidance of their lecturer (the Council's Urban Designer) would undertake further consultation with local residents with view to developing up to 3 competitive designs for the site. These designs would then be presented, in March 2016, to a panel of officers, residents and Members to make the final selection. It has also been suggested by the Urban Designer, that such an approach would be of real interest to the Homes and Communities Agency's head of design and sustainability.

- d) **Consultation with local residents and Ward Members** – we wrote to all tenants on the Willesley estate in Ashby and all tenants living in the vicinity of Greenacres, Coalville, including all Greenhill Council tenants living to the north of Cropston Drive. We invited written comments and views about the proposals to redevelop the 2 sites and held 2 open 'drop-in' sessions at coffee mornings arranged by the respective tenants and residents' associations. Copies of these letters and invitations to the two drop-in sessions were also issued to the respective Ward Members.

A copy of the written responses received, together with feedback at the 2 coffee mornings are available from Housing Choices Team Manager. Key messages are summarised below.

**Willesley** – 6 written responses were received, from which there are 2 emerging themes. Parking is seen as an issue on the estate and there are real concerns about the impact of additional vehicles the new homes may bring. 5 of the 6 respondents stated they were not in favour of allocating any new homes to younger tenants or single parents.

With regard to the open session held on 26 August, 10 residents attended. Key issues included:

*Would Like* – more bungalows for disabled; semi-detached homes; pieces of land to be used to provide more parking facilities or play area for children; consider dropped kerbs for existing homes to relieve parking issues.

*Must Have* – more parking provision.

*Don't Like* – some current issues with ASB, problems with parking.

*Don't Want* - homes for single applicants, flats or bedsits, no young singles, although some tenants commented that their adult children needed to live somewhere.

**Greenacres** – only 1 written response was received querying why the Council is considering provision of more 1 and 2 bedroom homes when we already have them on Linford/Verdon Crescent and cannot let them. (For the benefit of Cabinet the 1 and 2 bedroom homes we have on Linford/Verdon Crescent that cannot be let are all supported homes and we are proposing the provision of high demand, general needs homes referred to in paragraph 3.4 above)

With regard to the open session held on 2 September, there were 28 resident attendees, together with 5 council staff and Cllrs Sue McKendrick and Ronnie Adams. It was clear from the majority of those present that they are concerned about any changes. They would prefer the building to be refurbished as a sheltered scheme and let to those over 60/65 years, even though it was explained the cost of this could be prohibitive, and there is currently low demand for such accommodation. Key issues included:

*Would Like* – doing something rather than nothing; provision of 1 and 2 bed flats for older age group with no dependents; more bungalows; the proceeds from the sale of any fixtures, fittings or furnishings within the building to be used for the local TARA.

*Must Have* – a DDA compliant community building – both in the interim during build phase and the long term. Lower age limit on the estate. During any build phase, the working hours, delivery times etc to be closely overseen by the Council.

*Don't Like* – supported homes being allocated to younger people but no support put in place; mixing younger residents with older ones.

*Don't Want* – to change the character of the existing community; don't want any young single people or young families.

- e) ***Valuations obtained from an independent qualified chartered surveyor and valuer***



*Sheltered schemes* - in order to inform the housing service's AMS relating to decisions on the future use of the Council's corridor based sheltered schemes, 2 valuations have been obtained for each sheltered accommodation site, both on the basis that they will be marketed for development. See Appendix 5:

- 1 valuation based on vacant possession of the building and associated land
- 1 valuation based on provision of a cleared site

*Brownfield site* – an independent valuation has been obtained to guide negotiations for the acquisition of the proposed brownfield site. However, the outcome of the land/utility searches and any potential constraints to development will also have a bearing on these negotiations.

- f) **External 'Health check' on assumptions and investigations to date** – we have invited our 3 developing registered providers (emh homes, Waterloo Housing Association and Nottingham Community Housing Association) and Nottingham City Homes, all of whom are organisations with a proven track record of successful delivery in this field, to submit a fixed price to provide 5 days of consultancy during the next 3-4 months, to undertake the following:
1. Having regard to the findings of any ground surveys/land searches, sense check the feasibility of development on the proposed plots.
  2. Having regard to planning requirements and access to any pre-planning advice already obtained, advise us on site assembly, including the proposed numbers/types of properties to be developed and proposed layout.
  3. Review and comment on our new build financial model, including build cost assumptions and advise on the level of any additional costs that should be accounted for.
  4. Advise on the level of client involvement we might reasonably insist upon with regard to the development and project management of the gifted units, and what we subsequently need to put in place to deliver this. (CLT will recall that Cabinet approved the gifting of 38 affordable units from Bellway Homes at its meeting on 22 September 2015).
- 3.2 The above have also been asked to quote a day rate and rates for blocks of 5 days and 10 days for any additional work that may be required to progress these, and any other similar, projects. The deadline for submission is 22 October 2015.

#### **4.0 RESOURCE COMMITMENTS AND GOVERNANCE**

- 4.1 The initial work on options for delivery, site feasibility, pre-planning advice regarding the proposed pilot schemes and proposed 'health check' is being managed between the Housing Choices team manager, Planned Investment team manager and Director of Housing with input from the HRA Business Support team manager. However, a specialist, technical resource will eventually be required to act as the project manager for all new build issues (including regeneration activity), whether their role is directly project managing the construction process or acting as the client for an external agent we employ to carry out the project management and/or construction. As the workload develops, we will be looking to recruit to a new build project officer (although this might be on a part-time basis initially). The Director of Housing will present a future report to CLT seeking approval for the appointment at the appropriate time.

- 4.2 At the current stage, the new build project would be one of three housing projects which would sit under the Housing Project Board (chaired by the Director of Housing), the successor body to the HRA Business Plan Project Board. It is suggested that a senior representative from Legal could also join the Project Board for consideration of new build business. It is envisaged that a project team would be convened to run the new build project consisting of:
- the New Build Project Manager
  - Planned Investment team manager
  - Housing Choices team manager
  - Housing Management representative
  - Legal representative
  - Finance representative
  - Financial Systems rep
- 4.3 A detailed communications plan will be developed for each scheme as part of the wider project plan, setting out how we will maintain ongoing consultation with residents and Ward Members.
- 4.4 Monthly Progress Reports would be considered by the Housing Project Board, which would report into CLT, and reports would also be submitted at agreed intervals to CLT / Cabinet and/or when a decision is required.

## **5.0 FINANCIAL IMPLICATIONS**

### **5.1 HRA Business Plan projections**

As a result of the Summer Budget announcements and forecasts arising from the proposed four year rent reduction, funding shortfalls are presented within the HRA 30 year business plan cash flow model. These funding shortfalls will mean that the Housing service will need to achieve efficiency savings as per the amounts laid out in Column A of the table below.

- 5.2 On 22 September 2015, Cabinet approved the proposal to vary the provision of affordable housing relating to Woodside Farm by acceptance of 38 gifted properties. Inclusion of these gifted properties into the HRA business plan from 2018/19 impacts HRA cash flows favourably by reducing the funding shortfall by £7.5m over the 30 years, as laid out in Column B of the table below.

**Table 1 – Movement of HRA funding shortfall following inclusion of gifted properties**

	Column A Forecasts arising as a result of the Summer Budget	Column B Revised forecast position on inclusion of Woodside	Net change
Predicted funding shortfall as at:			
2021/22	£6.029m	£5.854m	£0.175m
2022/23 – 2024/25	£6.19m	£5.098m	£1.092m
	taking the cumulative total to £12.219m	taking the cumulative total to £10.952m	taking the cumulative total to £1.267m
2041/42 - 2044/45	£10.029m	£3.807m	£6.222m
	taking the total funding shortfall to £22.248m over the 30 years	taking the total funding shortfall to £14.759m over the 30 years	taking the cumulative total to £7.489m

### 5.3 Funding Assumptions

- 5.4 A provision of £726k was set aside within the 2015/16 HRA Capital Programme for the purpose of developing a new build scheme. £407k of this funding relates to right to buy one for one commitment, of which 30% is retained from right to buy sale receipts and 70% is match funded from the HRA Capital Programme.
- 5.5 If a right to buy one for one commitment is unspent within three years of the commitment arising, 30% would need to be repaid by the Council back to Treasury, including an additional payment for compensation in respect of notional interest.
- 5.6 Use of the 30% commitments is on a cumulative basis over a three year period. Therefore, new build schemes delivered before a commitment arises will contribute to that future commitment being spent. It is important to note however that future commitments are not guaranteed and can only be projected based on assumed right to buy sales and that 70% funding must be sourced from the Council's own resources for these commitments to be retained and spent on the provision of affordable housing. In practical terms, new build schemes delivered before a one for one receipt and commitment arises will need to be funded from existing HRA reserves via a revenue contribution to capital outlay (RCCO).
- 5.7 To Quarter 1 2015/16 this £407k commitment increased to £600k (assuming that the Council wishes to retain the one for one commitment and match fund replacement by

sourcing 70% funds internally). Approval was sought from Cabinet on 22 September to use this commitment along with £887k of section 106 funding for the provision of the brownfield scheme in Coalville.

- 5.8 Right to Buy sale projections (see Appendix 6) for 2015/16 forecast a further additional £939k commitment. From 2016/17 – 2020/21 a further commitment of £2.17m is forecast. Again, these commitments assume that the Council wish to retain the one for one commitment and match fund replacement by sourcing 70% funds internally. If a right to buy one for one commitment is unspent within three years, or should the Council deem the provision of match funding unaffordable, 30% of these amounts would need to be repaid by the Council back to Treasury, including an additional payment for compensation in respect of notional interest.
- 5.9 There are currently no indications from DLGC that the Right to Buy, One for One scheme will be terminated and therefore financial projections are based on an assumption that the scheme and arising commitments will continue.
- 5.10 In addition, section 106 funds (or commuted sums) of £887k exist. Due to the nature of this funding stream, no future projections exist. Should these funds be unspent by the allocated time period, funds must be returned to the developer who made the contribution.
- 5.11 See Appendix 7 for full Right to Buy, One for One replacement forecasts and Appendix 8 for schedule of commitments and the date they must be spent by.

#### 5.12 New Build assumptions

- 5.13 The tables below detail assumptions used in determining the viability and impact of each proposed new build scheme.

**Table 2 – General Assumptions**

	1 Bed	2 Bed	3 Bed	4 Bed
<b>Build Cost</b>	£94,336	£126,773	£153,115	£181,104
<b>2017/18 Rent per unit per week (Affordable rent)</b>	£83.94	£90.23	£104.41	£140.29
<b>Rent ongoing</b>	-1% real reduction to 2019/20; 2.5% 2020/21 ongoing (CPI of 1.5% + 1%)			
<b>Void levels</b>	1.50%			
<b>Bad debt level</b>	2.50%			
<b>Management cost</b>	£30 per unit p.a. (£0.58p p.w) 2.5% inflation			
<b>Repairs</b>	£520 revenue per unit per year from year 6, inflated at 2.5% p.a.			
<b>Planned Maintenance</b>	£1,200 capital per unit per year from year 11, inflated at 2.5% p.a.			

**Table 3 – Scheme Specific Assumptions**

Site	Brownfield site, Coalville	Greenacres	Willesley Estate
1 Bed	4	4	3
2 Bed	8	6	5
3 Bed	0	0	0
4 Bed	0	0	0
<b>Total</b>	<b>12</b>	<b>10</b>	<b>8</b>
<b>Other costs</b>	£150k land cost		
<b>Communal Facility</b>	£50k provision for play area	£71k	n/a
Delivery year	2017/18	2017/18	2017/18
% of rent achieved in first year	50% (Quarter 3)	50% (Quarter 3)	50% (Quarter 3)
<b>Build costs</b>			
2015/16:	£112,500		
2016/17:	£739,514	£604,367	£426,000
<u>2017/18</u>	<u>£739,514</u>	<u>£604,367</u>	<u>£426,000</u>
<b>Total:</b>	<b><u>£1,591,528</u></b>	<b><u>£1,208,734</u></b>	<b><u>£852,000</u></b>

#### 5.14 Individual Scheme Impact Assessments

5.15 Proposed schemes are assessed by the following means:

- a) *Notional subsidy* – this represents the funds which must be provided by the Council if a scheme will not be supported entirely by external borrowing (debt which can be serviced from the rent from that dwelling). In reality, both the borrowing and the subsidy will be met from HRA resources or additional borrowing up to the HRA borrowing limit (for which there are no rent serviceable restrictions), or a combination of both.
- b) *Net present value (NPV)* - the difference between the present value of cash inflows and the present value of cash outflows over the 30 years from 2015/16 which indicates whether the projected earnings generated (in present cash terms) exceed the anticipated costs (also in present cash terms) associated with the scheme.
- c) *Contribution to HRA cash flows* - the estimated impact to HRA cash flows of the proposed scheme over 30 years from 2015/16.

- d) *Impact to funding shortfall* – the estimated impact to the funding shortfalls currently forecast over the 30 years from 2015/16 as a result of the impact of the scheme’s cash flows to HRA balances and any resultant increase or reduction in interest earned on those balances.

The impact of each scheme, assessed on a mutually exclusive basis, is detailed in the table below.

**Table 4 – Scheme viability on a mutually exclusive basis**

	<b>Brownfiled site, Coalville *</b>	<b>Greenacres</b>	<b>Willesley</b>
<b>Scheme cost</b>	£1.592m	£1.209m	£852k
<b>Funding</b>	£887k S106 funds £705k One for one replacement funds	£1.209m One for one replacement funds	£852 One for one replacement funds
<b>Notional Subsidy</b>	£656k	£437k	£253k
<b>NPV</b>	+£260k	-£213k	-£109k
<b>Contribution to HRA cash flows</b>	+£784k	+£211k	+£229k
<b>Funding Shortfall</b>			
2021/22	£5.828m	£5.833m	£5.838m
2022/23 – 2024/25	£4.451m	£4.964m	£4.731
2041/42 – 2044/45	£1.671m	£2.535m	£2.453m
<b>30 Year Total</b>	<b>£11.950m</b>	<b>£13.332m</b>	<b>£13.022m</b>

\* Cabinet may recall that when this scheme was presented to Cabinet on 22 September 2015, the net present value was a -£607k and that the estimated impact to the funding shortfall was to increase the HRA funding shortfall by £13k.

5.16 Following revision to forecasts of future right to buy one for one commitments it is proposed that the remaining balance of the scheme is also funded from right to buy one for one commitments, taking the total to £705k. The movement to a positive net present value position and more favourable impact to HRA funding shortfall are as a result of the allocation of section 106 funding to the scheme as agreed by Cabinet on 22 September 2015. It is important to note that without this funding; the scheme would not be viable in net present value or cash flow impact terms.

**5.17 Impact of all New Build schemes** - Should all schemes be developed simultaneously, the impact is as follows:

**Table 5 – Scheme viability on the basis all schemes are developed**

	<b>All schemes</b>
<b>Scheme cost</b>	£3.652m
<b>Funding</b>	£887k S106 funds £2.765m One for one replacement funds
<b>Notional Subsidy</b>	£1.428m
<b>NPV</b>	-£63k
<b>Contribution to HRA cash flows</b>	+£1.224m
<b>Funding Shortfall</b>	
2021/22	£5.780m
2022/23 – 2024/25	£5.725m
2041/42 – 2044/45	£1.561m
<b>30 Year Total</b>	<b>£13.066m</b>

5.18 As detailed above, £2.765m of right to buy and one for one funding is assumed on the basis that the Council wish to retain the one for one commitment and match fund replacement by sourcing 70% funds internally, and that the existing regime continues. Use of the 30% commitments is on a cumulative basis over a three year period.

5.19 In reality, the Council will need to use its own existing resources or consider additional borrowing before these receipts from right to buy sales arise.

5.20 Use of existing funds across the three schemes would be spent as per financial years as follows:

2015/16	£112k
2016/17	£1.77m
2017/18	£1.77m
<b>Total</b>	<b>£3.652m</b>

5.21 In year funding within 2015/16 set aside for the provision of new build and affordable housing which will be unspent, (comprising section 106 funding, right to buy and one for one commitments and the Council's own contributions as detailed above), will therefore be carried forward to the 2016/17 financial year. Proposals within this paper do not assume any additional borrowing.

- 5.22 As a result of forward spending of assumed right to buy and one for one commitment, a minimum revenue contribution to capital outlay (RCCO) will be required for the 2017/18 year, which did not previously exist, of £526k. In 2018/19 the RCCO will need to increase from £1.495m to £2.475m.
- 5.23 Cabinet should note however, that these funding assumptions have not taken into account the revised forecast outturn for the HRA and HRA Capital Programme for the 2015/16 year nor include any budget proposals for the 2016/17 financial year. Appendix 9 presents the cumulative cash flow of commitments.
- 5.24 In addition, it should be noted that as the proposed units in Ashby will fall under the Developer Contributions Scheme (DCS) required by the River Mease Special Area of Conservation Water Quality (Phosphate) Management Plan (WQMP), an additional small contribution per dwelling will be required as follows:

- 1 bed dwelling = £127 per unit (max)
- 2 bed dwelling = £187 per unit (max)

So at most, the DCS will incur additional costs of £1,316 (max based on 3 x 1 bed plus 5 x 2 bed)

## **6.0 DELIVERY VEHICLE**

- 6.1 It is proposed that NWLDC will own the schemes it develops. The cost floor mechanism gives local authorities some protection from Right to Buy, in that the costs of producing the new build unit can effectively be recovered. Assumptions about future levels of RTB for new build units have been built into the financial modelling. Long term, the delivery of the new build units could involve a range of different approaches including local small and medium enterprises (SME). However, given that it is almost 30 years since the Council's last new build programme and there is limited internal expertise in this area, a full assessment will be undertaken to minimise any risks to the council. The units could be achieved via:

- NWLDC procuring a constructor (design and build), and project managing the process in house (NWLDC owns the risk).
- NWLDC procuring an architect / constructor, and employing an external organisation to project manage the process (NWLDC owns the risk).
- NWLDC procuring a partner to deliver a specified number of properties to an agreed design on a site, ownership of which temporarily transfers to partner until completion (partner owns the risk).

- 6.2 For a local authority embarking on new build for the first time after a long gap, and with limited internal expertise, it could be argued that the latter option presents an attractive, low risk way forward, although it is generally more expensive. Advice on the best option will be sought from the consultant we subsequently instruct, and a future report will be presented to Cabinet with the recommended way forward.



6.3 The specialist procurement officer in Housing would be able to run any procurement exercises, with the support of the Planned Investment Team Manager, the New Build Project Manager and the corporate procurement team.

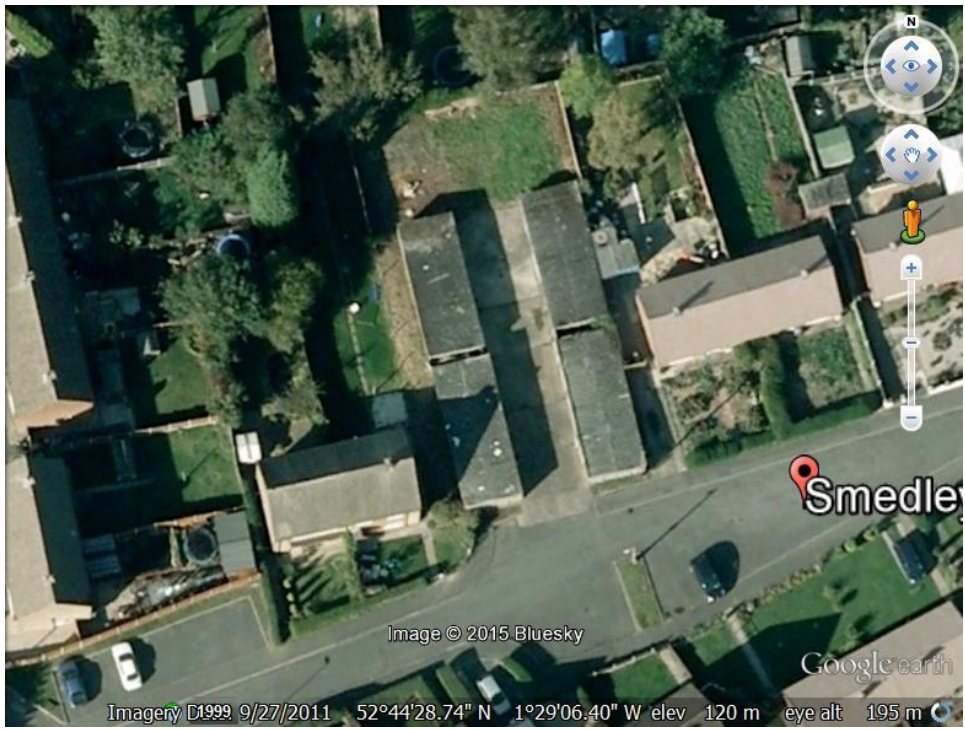
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Likely to contain exempt information under paragraph(s) 3 of  
Part 1 of Schedule 12A of the Local Government Act 1972.

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Smedley Close Garage site, Willesley Estate, Ashby



Staley Avenue site



Greenacres, Linford Crescent, Coalville



Likely to contain exempt information under paragraph(s) 3 of  
Part 1 of Schedule 12A of the Local Government Act 1972.

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**Assumed Right to Buy Sales**

Year:	Number of RTB sales
2015/16	32
2016/17	24
2017/18	24
2018/19	24
2019/20	24
2020/21	24
2021/22	24
Yrs 11-15	24
Yrs 16-20	24
Yrs 21-25	24
Yrs 26-30	24

## Right to Buy One for One funding

One for one year	One for one commitment (30%)	One for one commitment NWLDC (Contribution of 70%)	Total one for one commitment *	Date at which commitment must be spent by
2013/14	£122,178	£285,083	£407,261	31/03/2017
2014/15	£46,460	£108,406	£154,866	31/12/2017
2015/16 Q1	£11,676	£27,244	£38,920	30/06/2018
2015/16 Forecast	£281,792	£657,515	£939,307	
2016/17 (forecast)	£62,582	£146,025	£208,607	assumed earliest date of 30/06/2019
2017/18 (forecast)	£104,344	£243,469	£347,813	assumed earliest date of 30/06/2020
2018/19 (forecast)	£132,410	£308,957	£441,367	assumed earliest date of 30/06/2021
2019/20 (forecast)	£161,262	£376,278	£537,540	assumed earliest date of 30/06/2022
2020/21 (forecast)	£190,920	£445,480	£636,400	assumed earliest date of 30/06/2023
	<b><u>£1,113,624</u></b>	<b><u>£2,598,456</u></b>	<b><u>£3,712,080</u></b>	

\* 30% of amount to be remitted back to Treasury if not spent by commitment date

## Section 106 Funds

<b>S106 commitment</b>	<b>Date at which commitment must be spent by</b>
£371,000	15/06/2017
£157,000	07/02/2018
£35,000	11/07/2018
£324,000	20/02/2020
<b><u>£887,000</u></b>	

**Funding sources**

Section 106 funds	£887,000
One for one commitment (RTB receipts) *	£629,031
NWLDC contribution towards one for one commitment	£1,467,739
NWLDC additional contribution **	£668,230
<b>Total funding</b>	<b>£3,652,000</b>

\* Actual one for one commitments to Q1 2015/16 and forecast commitments from for remainder of 2015/16 through to delivery year of 2017/18

\*\* 30% of this amount can be claimed back via retention of one for one replacement receipts arising in years 2019/20 and 2020/21 (assuming RTB sales meet or exceed sales forecast of 24 per annum).

## NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

## CABINET – 10 NOVEMBER 2015

Report Title	<b>2015/16 QUARTER 2 PERFORMANCE MANAGEMENT REPORT</b>
Key Decision	a) Financial No b) Community No
Contacts	Councillor Richard Blunt 01530 454510 <a href="mailto:richard.blunt@nwleicestershire.gov.uk">richard.blunt@nwleicestershire.gov.uk</a>  Chief Executive 01530 454500 <a href="mailto:christine.fisher@nwleicestershire.gov.uk">christine.fisher@nwleicestershire.gov.uk</a>  Director of Services 01530 454555 <a href="mailto:steve.bambrick@nwleicestershire.gov.uk">steve.bambrick@nwleicestershire.gov.uk</a>  Director of Housing 01530 454819 <a href="mailto:glyn.jones@nwleicestershire.gov.uk">glyn.jones@nwleicestershire.gov.uk</a>
Purpose of report	The report provides members of the Cabinet with information on the performance and progress made against the Council Delivery Plan actions and performance indicators for quarter 2 (Q2) (July - September).
Reason for Decision	The report is provided for members to effectively monitor the organisation's performance.
Council Priorities	The report addresses performance against each of the Council's four priorities for 2015/16
Implications	
Financial/Staff	The report contains summary performance data on staff management & financial information.
Link to relevant CAT	The report links to the work of all Corporate Action Teams.
Risk Management	Risk management is applicable to all areas of the Council's statutory duties and service provision. Any relevant risks relating to actions set out in the Council Delivery Plan are managed through the Corporate Risk Register.
Human Rights	No direct implications.
Transformational Government	No direct implications

Comments of Head of Paid Service	Report is satisfactory
Comments of Deputy Section 151 Officer	Report is satisfactory
Comments of Deputy Monitoring Officer	Report is satisfactory
Consultees	Corporate Leadership Team
Background papers	<a href="#">Council Delivery Plan 2015/16</a>
Recommendations	<b>THAT CABINET RECEIVES AND COMMENTS ON THE QUARTER 2 PERFORMANCE REPORT (JULY – SEPT 2015).</b>

## PERFORMANCE SUMMARY FOR QUARTER 2

### 1 Introduction

This report sets out the performance of the Council's key frontline services, progress against Council Delivery Plan priority actions, performance indicators, finance and sickness absence management.

### 2 Performance summary of key frontline services

The Council's key frontline services are linked to the Council's four priorities

Front line Service	Value for Money	Business & Jobs	Homes & Communities	Green Footprints Challenge
Leisure	✓		✓	✓
Housing	✓	✓	✓	✓
Revenues and Benefits	✓			
Refuse and Recycling	✓	✓	✓	✓
Development Control	✓	✓	✓	✓
Environmental Health	✓	✓	✓	

The detailed evidence and statistics of the Council's performance for Q2 is included in Appendix 1

## **2.1 Leisure Centres**

The NWL Swim Academy continues to grow as numbers and associated income increase. At the end of September 2015 there were 2,061 children on the scheme as compared to 1,790 in October 2014, and the net result of this is that income is £3,000 above the budget. This is due to effective recruitment and retention of children, along with a flexible approach to pool programming, allocating more pool time to increase capacity at the lower levels of the scheme where demand is and, therefore, increasing utilisation rates and efficiency. In addition, there has been a focus on recruitment to private swimming lessons. The outcome of this is that more children are undertaking regular physical activity and are therefore leading healthier lives.

Visitor targets across both leisure centres have been exceeded and are 40,000 up as compared to the end of Q2 in 2014/15. This is due to an effective Shape up for Summer membership promotion which led to a significant increase in fitness members. There was also an increase in attendances in the NWL Swim Academy, the summer holiday activity programmes and a successful quarter for the events programme across both sites, which included an antique fair, 2 craft fairs, an international tool auction, Woodstock in Whitwick, a dance event, a charity ball and a private bar hire event. The outcome of this is that income generation opportunities are maximised and, therefore, the running costs of the centres are kept to a minimum. In addition, more residents of NWL are more physically active and are living healthier lifestyles.

Quest will undertake their bi-annual quality assessment once all relevant repairs and modifications have been undertaken following an Electrical Installation Certificate report. It is anticipated that this will be in Q4.

The NHS has requested that they move into part of the existing building footprint at Hood Park in order to facilitate a swifter relocation without the need for any planning permission or building extension. Consequently, the feasibility and business case report is being reworked and will now be submitted to Corporate Leadership Team for consideration in October.

## **2.2 Housing Services**

The rent collection procedure has been reviewed by the Tenant Scrutiny Panel and considered to be fit for purpose. The recommendations from the Tenant Scrutiny Panel were approved by Cabinet on 22 September 2015 and activities around the action plan are currently being programmed in.

The Tenants Scrutiny Panel are now progressing well with their current inspection, which is looking at the tenant experience of the responsive repair process. The outcomes will feed into the VFM review of the responsive repairs service which is due to be completed early in Q4.

The value for money review will look at how well the repairs service performs in relation to costs and service outcomes, including comparison with others and industry benchmarks. It will also recommend how growth opportunities can be pursued, including the preparation needed to potentially take on more planned improvement work post 2016/17 Decent Homes Improvement Programme.

The tenant void scrutiny group also continues to carry out monthly inspections of empty home re-instatement works. Feedback is generally positive as the scope of works to empty homes have increased. Where issues have been raised actions have been implemented to maintain positive standards.

A pilot has been undertaken to carry out more decorating in empty properties. Early indications are that decorations make properties more attractive in lower demand areas. However, this has to be balanced against the time and cost of undertaking the work, and it may not result in reducing the period of time a property remains empty. The pilot evaluation is scheduled to be presented to the Empty Homes Working Group in November 2015.

The flats at Cherry Tree Court, Moira and Central Avenue, Ibstock have been redesignated as general needs following a resident consultation process. The flats have now been let in accordance with the new local lettings plans, after having been empty for some time.

97 properties have been let in Q2, an increase of 40 properties compared with Q1. Additional work over and above our normal "void repair standard" has been undertaken, and the quality of the homes at the time of letting has improved. However, this has had a knock on effect on the void turnaround time which averaged 76 days at the end of quarter 2 against a target of 50 days. An Improvement Plan is being developed, including actions such as properties being advertised whilst work is ongoing, and getting up to date feedback from contractors as to when works to properties will be completed. An improvement in the average re-let time during Q3 is anticipated.

Residents of affordable homes on new developments in Coalville, Ashby, Ibstock and Kegworth have been identified to be surveyed about satisfaction with their new home. Survey forms are expected to be analysed by the end of Q3, with the results communicated to developers and relevant internal departments during Q4. The Council's plans to build new council housing continued to progress, and approval to acquire a brownfield site in Coalville to assist with land assembly for this purpose was gained. The Council also successfully sought approval to negotiate with a developer on one site to accept the gifting of properties to the Council in lieu of s106 obligations.

A series of consultation events and meetings have been undertaken to feed into the the new draft Housing Strategy for 2016-2021. The strategy will be out for public consultation during October and November 2015.

### **2.3 Revenues & Benefits**

In quarter 2 the Benefits Team had a reduction in their staffing levels due to high levels of sickness. Overtime was offered to staff and a plan is in place to employ agency workers to back fill if the sickness becomes long term.

NNDR collection performance at the end of Q2 is below the profiled target. The 2015/16 profiled targets are based on what was actually collected each month in 2014/15. The monthly targets need to be revised, as 2015/16's instalment profile is very different to 2014/15, with more of the collectible rates being due at the end of the year. This is due to more ratepayers choosing to pay over 12 months and variations to instalment profiles due to moves and rateable value adjustments.

### **2.4 Refuse & Recycling**

Following the successful installation and commissioning of the Materials Sorting Technology a practical sampling methodology has been established to measure and manage levels of contamination and quality. This is to assess quarterly reporting protocols as required by the Environment Agency. The technology is now fully operational and delivering on-going increases to income from the sale of separated



plastic, steel and aluminium compared to levels formerly achieved through co-mingling.

Impacts from the withdrawal of the green waste recycling credits were considered during the last budget setting process which resulted in a reduction of income totalling £260,000 per annum. Leicestershire County Council are currently consulting districts on plans to review dry recycling credit payments. A number of options are currently being considered by LCC and meetings are to be held with districts by the end of Q3. The implications will be brought to Cabinet.

## **2.5 Development Control**

Two major residential applications were refused in September. An appeal against the refusal of 91 dwellings is expected for land at Butt Lane/Hepworth Road, Blackfordby. A resubmission of an application of 160 dwellings at Ashby Road, Kegworth is expected. Two more solar farms at Burton Road, Ashby and Measham Road, Packington were approved in September.

The Design Guide will be sent out for consultation pending further changes required to the draft and it is expected that consultation will now be in November 2015.

All major development schemes approved in Q2 scored positively against Building for Life good standard.

## **2.6 Environmental Health**

22 food establishments considered to be non compliant with food hygiene law are receiving an enhanced level of support. Each of the businesses selected has received a visit by the lead officer for business regulation (Business Champion) to explain the purpose of the support package and to ensure that the business owner is committed to making the required improvements. All business visited to date have made a commitment to improve. A programme of visits by an Environmental Health Officer have also commenced. Of the 22 food establishments in receipt of support, 10 have reached a standard which is broadly compliant with food hygiene law. The remaining businesses will continue to receive an enhanced level of support.

The process for obtaining customer feedback from business owners is being revised. A question set has been revised and loaded into the citizenspace software. The revised questionnaire will be used for the first time in October 2015. The feedback will be used to further improve service design and delivery.

A plan to further improve business engagement activity has been devised and reviewed. A positive testimonial has been obtained from a company called Global Freight Management (GFM) that imports fish through East Midlands airport on a daily basis. The introduction of new legislation to prevent illegal fishing has led to the need for catch certificates to be presented to customs before it is permitted to enter the European Community. This function is carried out by the Environmental Health team. GFM contacted the Environmental Health team expressing concerns that the new checks would mean delaying the time within which the fresh fish consignments could leave the airport, resulting in additional storage and transport costs and possible deterioration and spoilage of the fish. Through working with the Marine Management Organisation and the Association of Port Health Authorities an appropriate and proportionate procedure was agreed for verifying Icelandic catch certificates that minimise the impact on the business. A fair system of charging to reflect these interventions was also devised. As a result of this work the impact on the business

has been minimal. There has been no delay or disruption to how these consignments are handled at East Midlands Airport. The company has been so impressed with the service they received from the team, that it has transferred its operation from another UK based airport to East Midlands Airport.

Martin Bland, Director GFM said that ***“North West Leicestershire District Council has made the process as painless as possible. Their ability to process certificates with a short turn around really helps in keeping the Icelandic fish product at East Midlands Airport and increasing the volumes of fish on the flights.”***

***Icelandair could easily route the French fish through freighters into Liege but the efficiency of NWLDC helps to keep the fish in the UK. We often don't receive the certificates until 4pm due to time difference at origin and short flight times, but we have the clearance letter returned by the time the staff leave for home, which is on occasion after their normal finishing time.***

***In addition we usually have flights on a public holiday; the department has never failed to have a member of staff available on those days, to do so just once could result in many tonnes of fish not being suitable for the market and a possible loss of substantial revenue to East Midlands Airport on a permanent basis. Their professional, flexible, common sense approach to the IUU legislation makes the process far less onerous.”***

### **3 Council Delivery Plan**

Appendix 1 sets out a high level exception report for the remainder of the Council Delivery Plan and further information on key front line services. This provides commentary against actions and performance indicators that were not on target during Q2.

#### **3.1 Business & Jobs Priority**

The footfall count for Coalville Market taken across the three weekly trading days at the end of each month shows an increase of 24% (627 to 775) compared to 2014. The increase can in part be attributed to an increase in promotion through social media, joint trader placed adverts, internal improvements (new LED lighting) and external improvements (cafe patio). Weekly rental income has been relatively stable around £2,400 per week, an increase of approximately 10% compared to 2014.

#### **3.2 Progress against remaining CDP priorities.**

Council agreed the draft Local Plan for consultation at its meeting on 15 September 2015.

### **4 Financial management update**

At the end of the second quarter of the financial year the General Fund and Special Expenses budgets are being managed effectively and there are early projections of additional income. It is too early in the financial year to assume for definite that there will be significantly more resources at the end of the year because of the volatility of local income streams, particularly Planning Fees.

A key income source is Planning Fee Income with an additional £270k projected by the year end. An increasing risk of incurring costs from Planning Appeals has been identified and there is already £250k in the revenue budget to mitigate this risk. It is

proposed to continue to monitor this risk and consider providing further resources from the additional income to cover any costs, if considered necessary.

The Housing Revenue Account is forecasting an overspend of £258k compared to the original budget, consisting of reduced rental income, cessation of the Supporting People grant and associated costs, and additional staffing costs of Housing Management and Repairs.

There is currently a small variance projected on the General Fund Capital Programme. The Housing Capital Programme now includes the New Build / Affordable Housing Programme and the associated funding. There is also additional spend relating to the final account of the previous year's Decent Homes Backlog programme funded by additional slippage from 2014/15.

## **5 Sickness absence management update**

There has been an increase in the sickness rate during Quarter 2, which was identified in the monthly monitoring reports to Corporate Leadership Team. The HR Manager presented a report to CLT in September to outline the existing measures in place to manage attendance and to consider other options to improve interventions in long-term sickness cases. The options are being explored in more detail, such as the existing Occupational Health Service, and a further report will go back to CLT during Q3 to propose further measures.

## **6 Supporting evidence and statistics - Appendix 1**

Appendix 1 sets out the following items:

- Progress against Council key front line services
- Progress against Business & Jobs priority
- Progress against remaining priorities
- Finance
- Management of Absence

Status definitions used in Appendix 1



Performance on track (milestones) or performance on or above target (PI's)








Performance under control (milestones)



Performance failing (milestones) or performance below target (PIs)



## 2 PERFORMANCE DASHBOARD – LEISURE CENTRES

Progress against milestones			Progress against Performance Indicators											
1		Green	2		Amber	0		Red	0		Green	0		Red

Budgeted Cost to provide service	£769,250	Total FTE's (average)	82.76	Complaints received	13
Forecasted cost to provide service	£732,487	Total days lost to sickness	53.35 (106.17)	Compliments received	14

\*cumulative number of FTE days lost

- The Membership income target for Q2 has been exceeded due to an effective Shape up for Summer promotion which resulted in 723 passes being sold in 2015/16 as compared to 556 in 2014/15. In addition, 244 were converted to members as compared to 186 in 2014/15. Consequently, as at the end of September there were 3,059 members at the leisure centres as compared to 2,823 at the same time in 2014/15.

Performance Indicators	Q2 Target	Q2 Actual	Status
Leisure Centre Membership income	472,123	480,928	
Leisure Facility Usage Levels (cumulative)	440,000	459,507	

## 2 PERFORMANCE DASHBOARD – HOUSING






Progress against milestones			Progress against Performance Indicators		
12  Green	2  Amber	0  Red	1  Green	1  Red	

Budgeted Cost to provide service	£-182,730	Total FTE's	101.38	Complaints received	78
Forecasted cost to provide service	£ 75,330	Total days lost to sickness	279 (488.83)*	Compliments received	14

\*cumulative number of FTE days lost

- Repairs Operatives now collect customer satisfaction with the repairs service through their tablet devices as soon as jobs are completed. Of the 680 responses collected in September, 657 tenants were satisfied or very satisfied with their completed repairs.
- The amount of rent arrears in monetary terms was £428,193 at the end of Q2 which represents 2.45% of the total amount of rent due. This is positive performance as we have exceeded our Q2 target collection rate by 0.55% or £98,000.
- A further 30 affordable homes were delivered across two sites in Thringstone and Ashby during Q2. This gives a total of 70 new affordable housing units as cumulative performance over Q1 and Q2.
- Average re-let times continues to be a source of concern, with average void periods still above target at 76 days for Q2, which is a slight increase from 74 days in Q1. More work is being completed in void properties (particularly plastering and decorating) to improve lettability and we have relet 97 properties in Q2 compared to 57 in Q1 and we have also brought a number of long term empty properties back into use in Q2. An action plan has been developed for implementation in Q3, which we are confident will improve performance for the remainder of the year, although achieving the year end target will be challenging.

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Performance Indicators	Q2 Target	Q2 Actual	Status
% rent arrears of current tenants	3%	2.45%	
% tenants satisfied with the allocation and lettings process	90%	96%	
Average re-let times (days)	50	76	
Percentage of customers satisfied with adaptations	90%	95%	
Percentage of customers satisfied with responsive repairs	95%	96%	
Percentage of Homeguide users who find the service easy to use			NA

## 2 PERFORMANCE DASHBOARD – REVENUES & BENEFITS

Progress against milestones			Progress against Performance Indicators		
0  Green	0  Amber	0  Red	0  Green	0  Red	

Budgeted Cost to provide service	£227,410	Total FTE's (average)	23.04	Complaints received	2
Forecasted cost to provide service	£408,630	Total days lost to sickness	95.5 (133.05)*	Compliments received	1

\*cumulative number of FTE days lost

Performance Indicators	Q2 Target	Q2 Actual	Status
Benefits Right Time Performance Indicator	11	11.9	
Benefits New Claims	22	21	
Benefits Change Events	11	10	
Council Tax in year collection rate	57%	57%	
Non-domestic rates in year collection rate	58%	57%	
HB overpayments recovered	20%	21%	

## 2 PERFORMANCE DASHBOARD – REFUSE & RECYCLING



Progress against milestones			Progress against Performance Indicators		
2  Green	0  Amber	0  Red	0  Green	0  Red	

Budgeted Cost to provide service	£1,836,210	Total FTE's (average)	74.43	Complaints received	13
Forecasted cost to provide service	£1,797,529	Total days lost to sickness	256.5(524.52)*	Compliments received	5

\*cumulative number of FTE days lost

- Recycling income is expected to be £15k less from budget of £896k due to slump in global commodity prices particularly plastics and metals.
- Trade income is anticipated to exceed the budget forecast by £14k

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Performance Indicators	Q2 Target	Q2 Actual	Status
% of waste recycled	46%	46.3%	
Kgs of waste sent to landfill	519	515	





## 2 PERFORMANCE DASHBOARD - DEVELOPMENT CONTROL

Progress against milestones			Progress against Performance Indicators		
1  Green	1  Amber	0  Red	0  Green	0  Red	

Budgeted Cost to provide service	£- 93,170	Total FTE's (average)	13.12	Complaints received	5
Forecasted cost to provide service	£-398,690	Total days lost to sickness	7.84(15.14)*	Compliments received	0

\*cumulative number of FTE days lost

200

Performance Indicators	Q2 Target	Q2 Actual	Status
Percentage of customers very satisfied or satisfied with the Planning Service	90%	91%	
Percentage of major planning applications processed within period agreed with applicant	85%	91%	
Percentage of planning applications determined within 8 weeks for minor applications (see appendix 2)	68%	85%	
Percentage of planning applications determined within 8 weeks for other applications	80%	88%	
Percentage of major development schemes performing positively against Building for Life 'good' standard	80%		N/A



## 2 PERFORMANCE DASHBOARD - ENVIRONMENTAL HEALTH

Progress against milestones			Progress against Performance Indicators		
4  Green	1  Amber	0  Red	0  Green	0  Red	

Budgeted Cost to provide service	£351,360	Total FTE's (average)	14.49	Complaints received	1
Forecasted cost to provide service	£317,690	Total days lost to sickness	5.56(8.81)*	Compliments received	2

\*cumulative number of FTE days lost

- Of the 22 food businesses in receipt of an enhanced level of support 10 have reached a standard which is broadly compliant with the law.
- A contract is in place to provide a pest control treatment service on behalf of Oadby & Wigston BC

### 3 COUNCIL DELIVERY PLAN - BUSINESS & JOBS PRIORITY

Progress against milestones			Progress against Performance Indicators		
6  Green	2  Amber	0  Red	0  Green	0  Red	

No applicable performance indicators for Q2 (reported annually)

### 4 PROGRESS AGAINST REMAINING CDP PRIORITIES

Progress against milestones			Progress against Performance Indicators		
12  Green	0  Amber	0  Red	0  Green	0  Red	

No Performance Indicators Applicable for this priority.

202

## 5 FINANCE UPDATE

This section sets out the projected financial position of the Council for the year ending 31 March 2016. The Council set its Revenue Budget at £10.610m on 24 February 2015.

General Fund – Summary of Net Expenditure	ORIGINAL BUDGET NET £ 000	FORECAST OUTTURN NET £ 000	FORECAST VARIANCE NET £ 000
AMOUNT TO BE MET FROM GOVERNMENT GRANT AND COUNCIL TAX (Budget Requirement).	10,610	10,386	(224)

Special Expenses – Summary of Net Expenditure	ORIGINAL BUDGET NET £ 000	FORECAST OUTTURN NET £ 000	FORECAST VARIANCE NET £ 000
AMOUNT TO BE MET FROM GOVERNMENT GRANT AND COUNCIL TAX (Budget Requirement).	485	506	21

HRA SUMMARY	ORIGINAL BUDGET NET £ 000	FORECAST OUTTURN NET £ 000	FORECAST VARIANCE NET £ 000
Net cost of service (Total rent income less total expenditure)	(183)	75	258

Capital Expenditure	General Fund £ 000	Special Exp £ 000	HRA £ 000	Total
Approved Budget for the Year	2,130	0	8,367	10,497
C/F from 2014/15	572	169	738	1,479
Approved projects in year	362	3	0	365
Slippage Identified in Year	-12			-12
<b>Total budget for 2015/16</b>	<b>3,052</b>	<b>172</b>	<b>9,105</b>	<b>12,329</b>
<b>Likely outturn for 2015/16 (provisional)</b>	<b>3,049</b>	<b>173</b>	<b>11,637</b>	<b>14,859</b>

### **Comments on General Fund Variances**

- Planning Income is forecast to be £270k over budget mainly due to the receipt of three large applications in the first few weeks of the financial year, £36k of this is to fund the new Head of Economic Development post.
- Business Rates on the Council offices are forecast to be £141k less than budget. This is due to refunds in relation to successful appeal in reduction of the Council Offices Rateable value, offset by £4.5k professional fees associated with the appeal.
- Rent Allowances net of subsidy are forecast to be £144k more than budget.

### **Comments on Special Expenses Variances**

- Burial Fee Income is forecast to be £6k less than Budget.
- Forecast includes additional expenditure of £12k for items being funded from balances (Peace Garden, events, Owen Street tree works, Highways verge maintenance).

### **Comments on HRA Variances**

- 204
- Rent and service charge income forecast shortfall £62k mainly due to higher void loss % compared to budget
  - Housing Repairs and Investment is forecast to be £49k overspent, largely due to agency staffing cost exceeding savings from vacant posts.
  - Housing management is forecast to be £35k overspent mainly as a result of additional costs in relation to maternity cover for posts.
  - The cessation of the Supporting People grant from the end of September, and associated one off employee costs in the Older Persons Service, partly offset by a new income stream of Control Centre charges, and other employee cost savings has resulted in a forecast overspend of £86k costs.

### **Comments on Capital Budget**

#### **General Fund**

General Fund capital forecast out-turn is in line with the revised budget.

#### **Housing Revenue Account**

Final account of the Decent Homes backlog works programme of £800k has been paid in 2015/16 from previous year slippage identified since the preparation of the original budget..

The New Build / Affordable Housing programme is now shown in the forecast spend along with the associated funding.

## 6 MANAGEMENT OF ABSENCE

Quarter 1	Chief Exec & HR	Community Services	Finance	Housing Services	Legal & Sup Services	Planning & Regeneration	All Directorates
Sickness days lost	0 days long 4.90 days short	337.10 days long 149.16 days short	0 days long 49.62 days short	155.29 days long 56.54 days short	86.33 days long 49.95 days short	5.30 days long 2.00 days short	584.02 long 312.17 short
Total days lost in qtr	4.90 days	486.26 days	49.62 days	211.83 days	136.28 days	7.3 days	896.19 days
Number of FTE's	14.68	194.16	52.70	102.49	58.15	29.62	451.8 days
Average Cumulative no of days lost per FTE	0.33 days	2.5 days	0.94 days	2.06 days	2.06 days	0.24 days	1.98 days

Quarter 2	Chief Exec & HR	Community Services	Finance	Housing Services	Legal & Sup Services	Reg & Planning	All Directorates
Sickness days lost	13 days long 4 days short	332.99 days long 160.1 days short	73.36 days long 44.03 days short	168 days long 111 days short	63.76 days long 32.08 days short	5.74 days long 3.70 days short	656.85 days long 354.91 days short
Total days lost in qtr	17 days	493.08 days	117.39 days	279 days	95.84 days	9.44 days	1011.76 days
Number of FTE's	14.01	192.31	52.17	101.38	59.50	30.48	449.85
Average Cumulative no of days lost per FTE	1.56 days	5.09 days	3.2 days	4.82 days	3.9 days	0.54 days	4.23 days

## Appendix 2

Corporate Risk Register							
Risk Area	Inherent Risk			Control Measures	Residual Risk		
	Impact	Likelihood	Rating		Impact	Likelihood	Rating
Finance & Budget	4	4	16	Monthly management reviews are performed of actual against budgets and forecast to the end of the year. Monthly reporting and challenging at CLT, and reported to Cabinet quarterly Sound policies and procedures are in place. Planning for the Future has been documented and is reviewed regularly. Internal and External audit of systems and accounts.	4	1	4
Resource Capacity & Capability	4	4	16	Advance planning will mitigate this risk; however should it occur diverting resources from other services, bringing in additional resources from other sources (e.g. Agencies, Consultants, Voluntary/Community sector etc.) would be activated. Market conditions are tested through recruitment processes. The Council offers a package of additional benefits to enhance the recruitment offer. Linked to the above, the Council has developed innovative partnering relationships with other sectors including the private sector to make posts uniquely attractive. Best Employee Experience is a programme to attract and develop the right skills. It is a programme developing the talent within the staff resource through secondments and tailored development programmes.	3	2	6
Contract Management & Procurement	4	4	16	Corporate procurement staff and legal team to support where necessary on contract management. Policies and procedures are in place. Procurement Gateway Board oversees a procurement planning process. Training programme in place for staff.	3	2	6
Information Governance & Data Protection	4	4	16	Policies and procedures are in place. Corporate Governance training is undertaken annually and includes information governance as appropriate to reflect changes in legislation. The Council has a	4	2	8

				dedicated SIRO. Corporate Governance Groups are in place to scrutinise impacts/issues arising.			
Emergency Planning & Business Continuity arrangements	4	4	16	Business continuity plans have been documented, policies and procedures are in place, initial continuity plans are in place to allow access to the service through alternative mechanisms (Hermitage Leisure Centre)	4	1	4
Effective IT Systems & Procedures	4	4	16	Fully resilient environment in place with no single points of failure for core systems, other critical systems use cold standby equipment. New business services are being run in remote fully resilient data centres and existing systems are being progressively migrated to these cloud computing centres. Data is backed up to a second disk unit offsite at Hermitage Leisure Centre. Improved business recovery arrangements have been implemented to minimise recovery time.	3	2	6
Project & Programme Management	4	4	16	Progress is shared regularly with CLT, experienced PRINCE 2 staff, transformation programme is continually reassessing its objectives	4	3	12
Governance, Policies & Procedures	4	4	16	Policies & procedures in place, governance processes are documented and in operation, ongoing assessments and reviews are performed.	4	1	4

## Assessing the likelihood of a risk:

<b>1 Low</b>	Likely to occur once in every ten years or more
<b>2 Medium</b>	Likely to occur once in every two to three years
<b>3 High</b>	Likely to occur once a year
<b>4 Very high</b>	Likely to occur at least twice in a year

Assessing the impact of a risk:

<p><b>1 Low</b></p>	<p>Loss of a service for up to one day, Objectives of individuals are not met No injuries Financial loss below £10,000 No media attention No breaches in council working practices No complaints/litigation</p>
<p><b>2 Medium</b></p>	<p>Loss of a service for up to one week Service objectives of a service unit are not met Injury to an employee or member of the public requiring medical treatment Financial loss over £10,000 Adverse regional or local media attention – televised or news paper report High potential for a complaint litigation possible Breaches of regulations/standards</p>
<p><b>3 High</b></p>	<p>Loss of a service for one week or more Service objectives of the directorate are not met Non- statutory duties are not achieved Permanent injury to an employee or member of the public Financial loss over £100,000 Adverse national or regional media attention – national news paper report Litigation to be expected Breaches of law punishable by fine</p>
<p><b>4 Very high</b></p>	<p>An incident so severe in its effects that a service or project will be unavailable permanently Strategic priorities are not met Statutory duties are not achieved Death of an employee or member of the public Financial loss over £1m. Adverse national media attention – national televised news report Litigation almost certain and difficult to defend Breaches of law punishable by imprisonment</p>



## NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

## CABINET – 10 NOVEMBER 2015

Title of report	<b>MINUTES OF THE COALVILLE SPECIAL EXPENSES WORKING PARTY</b>
Key Decision	a) Financial No b) Community No
Contacts	Councillor Alison Smith MBE 01530 835668 <a href="mailto:alison.smith@nwleicestershire.gov.uk">alison.smith@nwleicestershire.gov.uk</a>  Director of Services 01530 454555 <a href="mailto:steve.bambrick@nwleicestershire.gov.uk">steve.bambrick@nwleicestershire.gov.uk</a>  Head of Community Services 01530 454832 <a href="mailto:john.richardson@nwleicestershire.gov.uk">john.richardson@nwleicestershire.gov.uk</a>
Purpose of report	To consider the recommendations made by the Coalville Special Expenses Working Party.
Reason for Decision	To progress Coalville Special Expenses projects and programmes.
Council Priorities	Value for Money
Implications:	
Financial/Staff	As set out within the budget.
Link to relevant CAT	None.
Risk Management	N/A
Equalities Impact Screening	None discernible.
Human Rights	None.
Transformational Government	None.
Comments of Head of Paid Service	Report is satisfactory

Comments of Deputy Section 151 Officer	Report is satisfactory
Comments of Monitoring Officer	Report is satisfactory
Consultees	Members of the Coalville Special Expenses Working Party
Background papers	<a href="#">Agenda and associated documents of the meeting held on 13 October 2015</a>
Recommendations	<b>TO NOTE THE RECOMMENDATIONS MADE BY THE COALVILLE SPECIAL EXPENSES WORKING PARTY AS DETAILED WITHIN THE MINUTES AND APPROVE THE RECOMMENDATIONS AS SUMMARISED AT 3.0</b>

## **1.0 INTRODUCTION**

- 1.1 The Coalville Special Expenses Working Party meets quarterly to consider financial issues which affect the special expenses area. As the group reports directly to Cabinet, all recommendations made will be sent to the first available Cabinet meeting after the group have met for final approval.

## **2.0 TERMS OF REFERENCE**

- 2.1 To consider budget and financial issues which either solely or predominantly affect the special expenses area alone and to make recommendations back to Cabinet.
- 2.2 To consider possible project options regarding the allocation of surplus reserves which have been examined by the relevant budget officers and to make recommendations to Cabinet.

## **3.0 RECOMMENDATIONS FROM MEETING ON 13 OCTOBER 2015**

- 3.1 That the Coalville Special Expenses Fund finance from reserves the installation of a Christmas tree and lights in Memorial Square at an approximate year 1 cost of £2,370.

## APPENDIX 1

MINUTES of a meeting of the COALVILLE SPECIAL EXPENSES WORKING PARTY held in the Board Room, Council Offices, Coalville on TUESDAY, 13 OCTOBER 2015

Present: Councillor J Geary (Chairman)

Councillors R Adams, N Clarke, J Cotterill, D Everitt, J Legrys, P Purver, M Specht and M B Wyatt

Officers: Mr L Brewster, Mr J Knight, Mr G Lewis and Mr J Richardson

### **10. APOLOGIES FOR ABSENCE**

There were no apologies received.

### **11. DECLARATIONS OF INTEREST**

Councillor J Legrys declared a disclosable non pecuniary interest in Item 6 – 2015/16 Events Update due to his involvement with Hermitage FM.

Councillor M B Wyatt declared a disclosable non pecuniary interest in any reference to Coalville, as a business owner in the Town Centre.

Councillor J Geary declared a disclosable non pecuniary interest in Item 5 – Capital Projects Update as a regular supporter of Coalville Town FC.

### **12. MINUTES OF THE PREVIOUS MEETING**

Consideration was given to the minutes of the meeting held on 9 July 2015.

Councillor J Geary commented that a visit to Broom Leys Allotments had still not been arranged, despite the suggestion at the last meeting that an open day would be held in September.

Councillor M B Wyatt stated that the Chairman of the allotments had been ill and that, as such, an open day had not been held. He confirmed that a response to the written request for a site visit would be forthcoming shortly.

Councillor J Geary thanked Members for contributing to the sub groups that had been held since the last meeting. He referred to comments made at a recent Cabinet meeting where the number of sub groups that the Working Party had formed had been criticised. He countered that the sub groups were an effective way in which to conduct Working Party business.

Councillor M B Wyatt stated that he was not happy that a member of Cabinet had tried to tell the Working Party what to do.

It was moved by Councillor J Legrys, seconded by Councillor R Adams and

RESOLVED THAT:

the minutes of the meeting held 9 July 2015 be approved.

### **13. CEMETERY CHARGES UPDATE**

Councillor M Specht, as Chairman of the sub group, updated Members on the meeting that had been held. He stated that it had been confirmed that the cost of running each cemetery was divided by the number of properties in each precepting area and that, as Coalville had more properties, the cost per property was therefore less. He confirmed that the consensus of the meeting had been to maintain this as the way in which costs were calculated.

Councillor J Legrys stated that he agreed with this stance. He queried why this information had not been relayed back to the Parish Councils concerned. It was agreed that this should happen imminently.

### **14. CAPITAL PROJECTS UPDATE**

The Leisure Services Team Manager presented the report to Members.

He provided the Working Party with an update on each of the ongoing projects.

#### **Coalville Park Improvements**

It was confirmed that work was continuing on the Peace Garden and that it was anticipated that the project would be finalised shortly before an official opening on 3 November to which Members of the Working Party would be invited.

Councillor M Specht suggested that Members that represented wards outside of the Coalville Special Expenses area also be invited to the official opening. The consensus of Members was to do this.

Councillors N Clarke and J Geary stated that they would not be able to attend the official opening.

#### **Owen Street Recreation Ground**

##### **Electricity Upgrade**

It was confirmed that a contractor had visited the site and presented costed proposals to update the floodlighting lux levels to satisfy the Football Association's ground grading requirements should the club be promoted to a higher level. It was stated that the current floodlighting would be sufficient should the club be promoted one division, but no further. As such, it was stated that it was anticipated that the work would not take place until it became necessary to do so.

Councillor P Purver asked how long the works would take to complete should they become necessary. It was stated that the first stage of work would improve the lux levels by installing new light bulbs and would therefore be relatively quick to complete.

Councillor M Specht stated that he was uncertain as to why differing lux levels were required depending on the level of football that was being played. It was explained by Councillor J Geary that, at a higher level of football, there was a greater media presence that required brighter lighting for their equipment. Additionally, the current lighting was now 19 years old and had already failed twice previously. Consequently,

as the lighting needed to be replaced, it would be logical to upgrade it at the same time.

#### Changing Room Development

It was stated that the building works had commenced and that it was anticipated that works would be completed in April 2016. As part of the funding agreement, the District Council would act as the Clerk of Works for the project and would be responsible for monitoring the build.

#### Entrance Trees

It was confirmed that this piece of work had now been completed.

#### Thringstone Miners Social Centre

It was stated that potential sources of funding were still being identified and that the project had been split into three phases with the outstanding money funds being earmarked for the first stage.

It was confirmed that a public consultation had been conducted via the distribution of flyers to households in the local vicinity. Only one response had been received and it had objected to the proposal. Given the very limited response, the planning and footpath diversion applications had now been submitted.

Additionally, work was continuing in order to secure further funding for the second and third phases. It was possible that a funding application could be submitted to the BIFFA Main Grants Scheme which accepts application up to £50,000, although they also require a third party contribution of 10% of the cost.

Councillor M Specht asked for clarification as to what proportion of the allocated funds would be used for planning application fees. It was confirmed that these would cost in the region of £1,500 to £2,000.

#### Cropston Drive BMX Track and Wheeled Sports Facility

It was confirmed that further work was being undertaken on some elements of the design after the proposed gateway entrance was considered unfeasible. Final proposals and costs for these elements would be presented to the Working Party at its next meeting, with works anticipated to start during spring 2016.

#### Urban Forest Park

It was stated that work had now commenced on site with the installation of the boardwalk. However, despite the order for the footpath and drainage work being placed in early summer, the contractor had since cancelled an agreed start date in September. An alternative start date of 26 October had now been agreed.

#### Highway Verge Improvements

It was confirmed that all one off improvement works to the areas around Phoenix Green, Bardon Road and Ashby Road had now been completed. An application to the District Council's Environmental Improvement Grant had been submitted and, if

successful, works will be undertaken to include the barking and mulching of flower beds that will suppress future weed growth.

The £4,000 that had been allocated for ad-hoc improvements had been spent on 10 additional cuts over the summer period to Phoenix Green, as well as the cutting back and maintenance of all shrubs within that area. Additionally, winter prunes would take place prior to Christmas at Phoenix Green and along both Bardon Road and Ashby Road. These works had been arranged so as to complement the works conducted by the County Council.

Councillor P Purver stated that she had seen that other local authorities had planted wild flowers as a replacement to grass that required less maintenance. She enquired whether this would be something that the Working Party could look at doing.

The Head of Community Services confirmed that this would be feasible if desired by Members but that full costs and locations would need to be identified. The consensus of Members was for such research to be undertaken by Officers.

Councillor J Legrys thanked Officers for the work that had been undertaken at Phoenix Green. He stated that the area was looking far better than it did previously.

Councillor M Specht stated that, in his view, the only areas that needed to be cut were those where there were issues regarding highway safety. He stated that other areas should be left uncut to encourage wildlife.

Councillor M B Wyatt stated that he disagreed with Councillor M Specht's view. He stated that certain areas must be maintained irrespective of whether they impacted upon highway safety as otherwise the District would look untidy. He stated that even if more wildlife areas were identified, that these would still require maintenance and that there would therefore still be a cost involved.

#### Warden Presence

It was confirmed that a new parks warden had been appointed for 16 hours a week until October. The role predominantly covered the after school period from Monday to Friday and focused on the areas around the play areas at Cropston Drive, Staples Drive and Scotlands Recreation Ground. The position had been successful in that levels of litter were reduced and no anti-social behaviour issues had been reported.

#### Thringstone Bowls Club Toilet Block

It was confirmed that formal quotes for the project had been sourced and submitted to BIFFA as part of the funding application. A decision as to whether the bid had been successful was expected by mid November. If successful, building works would commence immediately with a view to having the toilet block operational by April 2016. The total costs of the work would be £25,422 of which 10% would be funded from the Special Expenses fund.

Councillor J Geary queried why the 10% funding was being provided by the Special Expenses fund and not the bowls club themselves. It was confirmed that the funding stipulated that the 10% must be provided by a third party and that the bowls club could not therefore contribute themselves.

## Memorial Trees

It was confirmed that a request had been received from Members to consider planting trees in various locations in Coalville in run up to 100<sup>th</sup> anniversary of the end of the First World War in 2018. The project would be funded through a combination of the Special Expenses fund and external sources.

## 2016/2017 Proposed Capital Projects

The Head of Community Services outlined projects that had been proposed for the next financial year.

### Melrose Road Green Gym (£15,000 cost)

A proposal had been put forward to install a green gym for older children and adults. It was anticipated that a budget of £15,000 would be sufficient to install five pieces of equipment.

### Benches in Thringstone (costs to be confirmed)

A request had been received to install benches at various locations within Thringstone in order to assist residents that have difficulty in walking and to enable them to rest on the way to bus stops in the east of the village.

### Scotlands Playing Field (costs to be confirmed)

It was stated that, subject to the transfer of the Multi Use Games Area (MUGA) from Lillehammer Drive to Scotlands Playing Field being completed, Members may wish to consider funding the creation of a play hub within the vicinity.

### Thringstone Miners Social Centre Training Pitch (£5,000 cost)

It was stated that the Special Expenses fund could cover the 10% of the costs that must be provided by a third party. This would then allow the trustees to submit a funding application for the outstanding amount.

The Head of Community Services stated that he had also received several supplementary proposals since the papers for the meeting had been circulated. He updated Members on each of these proposals.

## Variable Message Signs

A proposal had been received to install signage to warn motorists of their speed. It was stated that such signage was no longer funded by the County Council and that the Working Party may wish to do so instead.

## Phoenix Green

A proposal had been received to refresh the area. It was stated that this was currently the responsibility of the County Council but that the Working Party could look to take on the work instead.

Councillor M B Wyatt stated that, as a minimum, the County Council should be approached to contribute to such a project, before it was decided whether to proceed.

### Signage for Places of Interest

A proposal had been received to install signage directing residents to places of interest within the Coalville area. It was suggested that some residents were still unaware of the location of some attractions and would benefit from some additional signage.

### Mantle Lane Bridge

A proposal had been received to regenerate the area surrounding Mantle Lane Bridge. It was confirmed however that Network Rail maintained the bridge and that they had been uncooperative when approached previously.

### Town Guide for Coalville

A proposal had been received to create a town guide for Coalville that would include details regarding attractions, projects and initiatives that would be of interest to local residents.

### Flag Pole at the Council Offices

A proposal had been received to install a flag pole at the front of the Council Offices on London Road.

Councillor J Geary stated that he was loath to proceed with any of the projects until full costings were available for every proposal. He stated that once these were available the Working Party would be in a better position to analyse which projects should proceed.

The Head of Community Services stated that costings would be feasible for all of the projects that had been put forward, with the exception of Mantle Lane Bridge due to it being managed by Network Rail. Additionally, he added that the relocation of the MUGA to Scotlands Playing Field was outside of the council's control.

The consensus of Members was for Officers to develop full costings for all of the projects that had been suggested which could then be discussed by Members at the next meeting of the Working Party.

### RESOLVED THAT:

the Working Party notes the progress update on 2015/16 capital projects.

## **15. 2015/16 EVENTS UPDATE**

The Cultural Services Team Manager presented the report to Members.

He provided Members with an update on each event.

### Christmas Lights Switch On Event

It was confirmed that the event would once again be combined with Town Team's Food and Drink Festival on 21 November. This year, the lights will be switched on by Sheena McHugh who was a semi-finalist on The Voice television show and who lives



in Coalville. It was proposed that this year's free car parking on Saturdays would run for five consecutive Saturdays from 21 November.

#### Coalville Christmas Decorations

It was confirmed that a tender process had recently been completed and that the contract had been awarded to Field and Lawn who had provided the best overall value for money package.

At the sub group meeting held on 9 September, Members requested that a Christmas tree with lighting be installed in Memorial Square this year. The tree itself would cost £970 including installation, whilst the necessary lighting would cost £1,400. The tree would become an annual cost, however, the cost of the lighting would be one off and would then be incorporated into the new Field and Lawn contract.

It was confirmed that there was currently no budget set aside for such a project and that it would therefore be necessary to fund it from the reserves. Similarly, any costs arising due to damage to the tree and lights would also need to be funded in this way. Permission would also have to be sought from the County Council as the tree would be sited on their land.

Councillor M Specht stated that he would support funding a Christmas tree in Memorial Square this year, however, if it was vandalised, he would not be supporting such a move again in future years.

Councillor J Legrys suggested that there was CCTV in this area that may deter vandalism.

Councillor D Everitt stated that he believed that the Working Party should not allow the prospect of vandalism to prevent Members from approving the project. He stated the vast majority of the public were in favour of such a move.

Councillor N Clarke stated that Hermitage FM usually install a Christmas tree outside their building on Memorial Square. He suggested that the Council liaise with Hermitage FM to ensure the two trees complement each other.

#### Leicestershire Commemorates

It was stated that the Council had been approached by a national campaign that was promoting the idea of civic buildings being lit red for the duration of this year's Poppy Appeal between 21 October and 11 November. Consequently, it had been proposed that the Clock Tower in Memorial Square be lit red during this period. Members stated their agreement with this proposal.

#### RECOMMENDED THAT:

the Coalville Special Expenses Fund finance the installation of a Christmas tree in Memorial Square at a cost of £2,370.

## **16. PERIOD 5 ACTUALS AND FORECASTED OUTTURN**

The Head of Community Services presented the report to Members.

It was stated that there was currently a forecasted over spend for the year of £4,877. However, such a position was not atypical at this point in the financial year and was predominantly explained by a decrease in burial income over the summer months.

It was confirmed that budgets for the 2016/17 financial year were currently being finalised and that progress would be reported at the next meeting of the Working Party.

RESOLVED THAT:

the Working Party notes the report.

## **17. COMBINED FIRE AUTHORITY PUBLIC CONSULTATION**

Councillor J Geary, as Chairman of the Working Party, agreed to a request from Councillor M B Wyatt for an additional item to be discussed at the meeting regarding the public consultation that the combined fire authority was undertaking and specifically the changes that were being proposed for Coalville Fire Station.

Councillor M B Wyatt stated that the proposals looked to reduce the capacity of the fire service in Coalville. He queried the logic behind the proposals in that there was likely to be a large number of new dwellings built in the area and therefore a surge in the local population. As such, he stated that he believed such proposals were unfeasible. He stated that he felt that the Working Party should respond to the consultation collectively as they all represented wards that would be affected.

Councillor J Geary stated that the Labour group would be presenting a motion to the next full council regarding this issue that he hoped all Members would support.

It was asked whether the Working Party could respond to the consultation collectively. The Head of Community Services stated that he thought the Working Party's terms of reference only allowed them to consider financial and budgetary matters that were then referred to Cabinet. As such, he stated that he did not think that a collective response would be feasible. However, he stated that he would check this and report back to Members at a later date.

## **18. DATES OF FUTURE MEETINGS**

Members noted the dates of the future meetings.

The next meeting will be on Tuesday, 15 December 2015 at 6.30pm in the Board Room.

The meeting commenced at 6.30 pm

The Chairman closed the meeting at 8.00 pm