

Rutland County Council

Catmose, Oakham, Rutland, LE15 6HP

Telephone 01572 722577

Email: governance@rutland.gov.uk

Members of Rutland County Council District Council are hereby summoned to attend the **248th MEETING OF THE COUNCIL** to be held in the Council Chamber at Catmose, Oakham on **27 March 2023 commencing at 7.00 pm**. The business to be transacted at the meeting is specified in the Agenda set out below.

Prior to the commencement of the meeting, the Chairman will offer the opportunity for those present to join him in prayers.

Recording of Council Meetings: Any member of the public may film, audio-record, take photographs and use social media to report the proceedings of any meeting that is open to the public. A protocol on this facility is available at www.rutland.gov.uk/my-council/have-your-say/

Although social distancing regulations have ended there is still limited seating available for Members of the public. If you would like to reserve a seat please contact the Governance Team at governance@rutland.gov.uk. The meeting will also be available for listening live on Zoom using the following link: <https://us06web.zoom.us/j/84613010420>

Mark Andrews
Chief Executive

A G E N D A

- 1) **APOLOGIES**
- 2) **CHAIRMAN'S ANNOUNCEMENTS**
- 3) **ANNOUNCEMENTS FROM THE LEADER, MEMBERS OF THE CABINET OR THE HEAD OF PAID SERVICE**
- 4) **DECLARATIONS OF INTEREST**

In accordance with the Regulations, Members are invited to declare any disclosable interests under the Code of Conduct and the nature of those interests in respect of items on this Agenda and/or indicate if Section 106 of the Local Government Finance Act 1992 applies to them.

5) MINUTES OF PREVIOUS MEETING (Pages 7 - 16)

To confirm the Minutes of the 246th and 247th meetings of the Rutland County Council District Council held on 21 and 27 February 2023.

6) PETITIONS, DEPUTATIONS AND QUESTIONS FROM MEMBERS OF THE PUBLIC

To receive any petitions, deputations or questions received from members of the public in accordance with the provisions of Procedures Rule 25 and 26. The total time allowed for this is 30 minutes. Petitions, deputations and questions will be dealt with in the order in which they are received and any which are not considered within the time limit shall receive a written response after the meeting.

A Petition has been received from Laura Larratt with 1605 valid signatures entitled 'Save Catmose Sports Centre'. As the petition contains more than 1500 valid signatures, the petition organiser will be given 5 minutes to present the petition. The Members of the Council may then discuss the petition and/or ask questions of the petition organiser for a further period of not more than 15 minutes.

7) QUESTIONS FROM MEMBERS OF THE COUNCIL

To receive any questions submitted from Members of the Council in accordance with the provisions of Procedure Rules 27 and 28.

8) REFERRAL OF COMMITTEE DECISIONS TO THE COUNCIL

To determine matters where a decision taken by a Committee has been referred to the Council in accordance with the provisions of Procedure Rule 89.

9) CALL-IN OF DECISIONS FROM CABINET MEETINGS DURING THE PERIOD FROM 27 FEBRUARY TO 27 MARCH 2023 (INCLUSIVE)

To determine matters where a decision taken by the Cabinet has been referred to Council by the call-in procedure of the Scrutiny Committee in accordance with the provisions of Procedure Rules 149 and 150. As a result of the decision being deemed to be outside the Council's policy framework by the Monitoring Officer or not wholly in accordance with the budget by the Section 151 Officer, or otherwise not in accordance with Article 12.

10) REPORTS FROM THE CABINET

To receive reports from the Cabinet on matters referred to the Council for consideration.

a) CABINET RECOMMENDATIONS TO COUNCIL (Pages 17 - 42)

To receive Report No. 47/2023 from the Cabinet containing recommendations to Council.

b) REPORT ON USE OF SPECIAL URGENCY PROVISIONS (Pages 43 - 46)

To receive Report No. 48/2023 from the Leader of the Council.

11) REPORTS FROM COMMITTEES OF THE COUNCIL

1) To receive reports from Committees on matters which require Council approval because the Committee does not have the delegated authority to act on the Council's behalf.

2) To receive reports from Council Committees on any other matters and to receive questions and answers on any of those reports.

12) REPORTS FROM SCRUTINY

To receive reports from the Strategic Overview and Scrutiny Committee on any matters and to receive questions and answers on any of those reports.

13) JOINT ARRANGEMENTS AND EXTERNAL ORGANISATIONS

To receive reports about and receive questions and answers on the business of any joint arrangements or external organisations.

14) NOTICES OF MOTION

To consider any Notices of Motion submitted by Members of the Council in accordance with Procedure Rule 31 in the order in which they are recorded as having been received.

15) TO RESOLVE THAT THE ANNUAL MEETING OF COUNCIL FOR 2023 BE MOVED FROM 15 TO 22 MAY 2023

16) SECOND HOMES AND EMPTY HOMES - COUNCIL TAX PREMIUM
(Pages 47 - 54)

To receive Report No. 27/2023 from the Portfolio Holder for Finance, Governance and Performance, Change and Transformation.

17) PAY POLICY 2023-2024 (Pages 55 - 76)

To receive Report No. 54/2023 from the Portfolio Holder for Policy, Strategy, Partnerships and Economy.

18) REVIEW OF STRATEGIC OVERVIEW AND SCRUTINY COMMITTEE
(Pages 77 - 114)

To receive Report No. 57/2023 from the Portfolio Holder for Finance, Governance and Performance, Change and Transformation.

19) EXCLUSION OF THE PRESS AND PUBLIC

Council is recommended to determine whether the public and press be excluded from the meeting in accordance with Section 100(A)(4) of the Local Government Act 1972, as amended, and in accordance with the Access to Information provisions of Procedure Rule 181, as the following item of business is likely to involve the disclosure of exempt information as defined in Paragraphs 3 and 5 of Part 1 of Schedule 12A of the Act.

Paragraph 3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).

Paragraph 5 - Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

20) RUTLAND AND MELTON LEVELLING UP FUND GRANT (Pages 115 - 264)

To receive Report No. 58/2023 from the Leader of the Council and Portfolio Holder for Policy, Strategy, Partnerships and Economy.

21) ANY URGENT BUSINESS

To receive items of urgent business which have been previously notified to the person presiding.

22) DATE OF NEXT MEETING

24 April 2023

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TO: MEMBERS OF THE COUNCIL

Councillor J Dale – Chairman of the Council

Councillor N Begy – Vice-Chairman of the Council

Councillor P Ainsley

Councillor D Blanksby

Councillor A Brown

Councillor P Browne

Councillor W Cross

Councillor S Harvey

Councillor S Lambert

Councillor M Oxley

Councillor K Payne

Councillor L Stephenson

Councillor A Walters

Councillor S Webb

Councillor R Wilson

Councillor E Baines

Councillor K Bool

Councillor G Brown

Councillor J Burrows

Councillor J Fox

Councillor O Hemsley

Councillor A MacCartney

Councillor R Payne

Councillor R Powell

Councillor L Toseland

Councillor G Waller

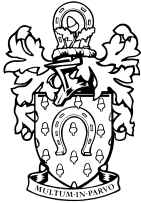
Councillor D Wilby

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THE COUNCIL'S STRATEGIC AIMS

- A special place
- Sustainable lives
- Health and well
- A county for everyone
- A modern and effective Council

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Rutland County Council

Catmose Oakham Rutland LE15 6HP.

Telephone 01572 722577 Email governance@rutland.gov.uk

Minutes of the 247th **MEETING of the COUNCIL** held in the Council Chamber, Catmose, Oakham, Rutland, LE15 6HP on Monday, 27th February, 2023 at 7.00 pm

PRESENT:

Councillor J Dale (Chairman)	Councillor N Begy (Vice-Chairman)
Councillor P Ainsley	Councillor E Baines
Councillor A Brown	Councillor G Brown
Councillor P Browne	Councillor J Burrows
Councillor J Fox	Councillor O Hemsley
Councillor S Lambert	Councillor A MacCartney
Councillor M Oxley	Councillor R Payne
Councillor K Payne	Councillor R Powell
Councillor L Stephenson	Councillor A Walters
Councillor G Waller	Councillor S Webb
Councillor D Wilby	Councillor R Wilson

OFFICERS PRESENT:

Mark Andrews	Chief Executive
Angela Wakefield	Director of Legal and Governance
Tom Delaney	Governance Manager
Mathew Waik	Communications Service Manager

ABSENT:

Councillor D Blanksby	Councillor K Bool
Councillor W Cross	Councillor S Harvey
Councillor L Toseland	

1 APOLOGIES

Apologies for absence were received from Councillors D Blanksby, K Bool, W Cross, S Harvey and L Toseland.

2 CHAIRMAN'S ANNOUNCEMENTS

The Chairman had not attended any civic engagements since the last set of announcements but took an opportunity to thank two of the Council's senior officers, Saverio Della Rocca and John Morley, for their dedication and service to the Council as they were due to shortly leave the Council's employment.

3 ANNOUNCEMENTS FROM THE LEADER, MEMBERS OF THE CABINET OR THE HEAD OF PAID SERVICE

Councillor L Stephenson, Leader of the Council, thanked Councillor M Oxley for his dedication to the County and its residents during his time on the Cabinet and significant tenure as a Councillor. The Leader confirmed the Cabinet would remain at

5 Members given the approaching elections to the Council, and Councillor Oxley's Portfolio Holder responsibilities had been distributed among the remaining Portfolio Holders as follows:

- Councillor L Stephenson – Culture
- Councillor S Harvey – Leisure
- Councillor R Powell – Environment and Waste, Climate Change, Public Protection and Community Safety

4 DECLARATIONS OF INTEREST

Councillors L Stephenson and E Baines declared a personal interest in Item 10 – Report of the Cabinet, specifically with regard to proposals relating to Fees and Charges, as joint owners of an A-Board which would be subject to the fee set by the Council.

5 MINUTES OF PREVIOUS MEETING

Consideration was given to the minutes of the meeting of Council held on 23 January 2023.

It was moved by Councillor L Stephenson and seconded that the minutes of the meeting be approved. Upon being put to the vote, with 19 votes in favour and 2 abstentions, the motion was carried.

RESOLVED

- 1) That the minutes of the meeting of Council held on 23 January 2023 be **APPROVED**.

6 PETITIONS, DEPUTATIONS AND QUESTIONS FROM MEMBERS OF THE PUBLIC

A deputation was received from David Baker on behalf of Greetham Parish Council, as set out in the agenda supplement. Mr Baker was accompanied by Jane Denyer and David Hodson.

Following the deputation, Members were invited to ask any questions they had of Mr Baker. In response to a question Mr Baker confirmed the Parish Council's view was that the matters raised constituted a statutory nuisance which the County Council was required to address by the Environmental Protection Act 1990.

Councillor R Powell, Portfolio Holder for Planning, Highways and Transport, confirmed in response to the deputation that Council officers were engaged with the Parish Council over the matters raised and that the Council took the matter of health and safety seriously. Councillor Powell confirmed she had asked officers to follow the matter up as a matter of urgency and keep her as Portfolio Holder informed of progress.

7 QUESTIONS FROM MEMBERS OF THE COUNCIL

No questions from members of the Council had been received.

8 REFERRAL OF COMMITTEE DECISIONS TO THE COUNCIL

No referrals had been received.

9 CALL-IN OF DECISIONS FROM CABINET MEETINGS DURING THE PERIOD FROM 23 JANUARY TO 27 FEBRUARY 2023 (INCLUSIVE)

No call-ins had been received.

10 REPORT FROM THE CABINET

Report No. 28/2023 was introduced by Councillor K Payne, Portfolio Holder for Finance, Governance and Performance, Change and Transformation. The report set out recommendations of the Cabinet to Council regarding the Council's budget for 2023/24.

Treasury Management Strategy and Capital Investment Strategy

It was moved by Councillor K Payne and seconded that the Treasury Management Strategy and Capital Investment Strategy be approved. Upon being put to the vote, with 22 votes in favour, the motion was unanimously carried.

RESOLVED

- 1) **APPROVED** the Treasury Management Strategy in Appendix 1 including the Investment Strategy, Borrowing strategy, Minimum Revenue Provision statement and Capital Expenditure Prudential indicators.
- 2) **APPROVED** the Capital Investment Strategy in Appendix 2

Fees and Charges

The proposals were introduced by Councillor K Payne, it was requested that consideration be given to how the Council communicated any increases and fees and charges to residents and communicated the rationale for the rises, particularly where the fee was set nationally rather than by the Council. Assurance was also given that the outstanding matter of taxi licenses would be addressed and concluded.

Upon being put to the vote, with 21 votes in favour and 1 abstention the motion was carried.

RESOLVED

- 1) **APPROVED** the level of fees and charges for 23/24, set out in Appendices A, B and C.
- 2) **APPROVED** new fees for:
 - Highways - temporary access vehicle crossing applications and permits on major developments (para 4.3.1)
 - Highways – new developments technical approval process (para 4.3.2)
 - Highways – roadside gullies mapping onto Kaarbon Tech (para 4.3.3)

- Bulky Waste – including stopping free collections and £3 surcharge (para 4.5.2)
 - Recycling and Residual Waste bins for new build properties (para 4.5.5)
 - A new monitoring and management fee for the First Home Scheme (para 4.8.1)
- 3) **NOTED** that taxi and private hire vehicle licenses fees will be subject to change based on the outcome of forthcoming consultation through a public notice procedure and be brought back for approval following that consultation.
 - 4) **NOTED** that Appendix D includes fees set nationally (some are still to be confirmed).
 - 5) **NOTED** that fees and charges excluded from this report are listed at 2.3 of Report No. 04/2023

Revenue and Capital Budget 2023/24

The proposals relating to the Council's revenue and capital budget were proposed by Councillors K Payne and seconded.

An amendment was tabled by Councillor N Begy and seconded. The amendment proposed a 1% rise in Council Tax with a 2% precept for Adult Social Care, the details of the amendment were set out in an agenda supplement.

Members in support of the amendment spoke of the need to keep residents' costs as low as possible and cited the detailed indications of where the Council would be able to close the gap in the Council's Medium Term Financial Plan created by a lower rate of Council Tax.

Members opposed to the amendment acknowledged the careful work that had been undertaken to form the proposals in the amendment but expressed concern about the reliance of the assumptions made regarding the Council's medium term finances. It was also felt important by Members to keep the Council's finances on as secure a financial footing as possible given the number of uncertainties ahead.

The amendment was put to a recorded vote and voting was as follows:

There voted in favour:

Councillors P Ainsley, N Begy, G Brown, J Fox, O Hemsley, and A Walters

There voted against:

Councillors E Baines, A Brown, P Browne, J Burrows, J Dale, S Lambert, A MacCartney, M Oxley, K Payne, R Payne, R Powell, L Stephenson, G Waller, S Webb, D Wilby, and R Wilson.

With 6 votes in favour, and 16 against, the amendment was defeated.

Councillor N Begy then tabled a further amendment in relation to the Council's Household Support Fund and Hardship Fund, the details of which had been circulated via an agenda supplement.

Members in support of the amendment cited the need to provide support to all residents in need of extra support in the current economic climate.

The amendment was put to a recorded vote and voting was as follows:

There voted in favour: Councillors E Baines, N Begy, A Brown, G Brown, P Browne, J Burrows, J Dale, O Hemsley, J Fox, S Lambert, A MacCartney, M Oxley, K Payne, R Payne, R Powell, L Stephenson, G Waller, A Walters, S Webb, D Wilby, and R Wilson.

Abstentions: Councillor E Baines

With 21 votes in favour and 1 abstention, the amendment was carried.

RESOLVED

That Council:

- 1) **APPROVED** the allocation of an increased amount of funding from the Household Support Fund to support those not on LCTS and asks the Strategic Director of Resources to amend the Household Support Fund Policy accordingly in conjunction with the Portfolio Holder with responsibility for Finance. The Policy will be reviewed prior to any allocation of funds in the second half of the HSF programme, probably September 2023, to ensure that it is meeting the objective of supporting those in need and not on LCTS.
- 2) **APPROVED** an additional £20,000 to be allocated to the RCC Hardship Fund to be ring-fenced for those households in significant need and who are not eligible for Local Council Tax Support, to be managed by the Section 151 Officer under delegated authority (on the recommendation of the Revenues and Benefits Manager) who are struggling to meet Council Tax payments. The maximum support will be capped at £100 per household.
- 3) **APPROVED** that if the Hardship Fund was at risk of being overspent, the Director for Resources may ask for additional funds to support those in hardship in line with the recommendation, which is already part of Cabinet's Budget proposals.
- 4) Council asked that those residents who are the most in need be made aware of the above programmes through the local press, social media, voluntary groups, foodbanks, etc.

Debate returned to the substantive motion as amended. It was put forward that although council tax rises would not be popular, approving the budget before Council would put the Council on a stable financial footing.

The motion, as amended, was put to a recorded vote and voting was as follows:

There voted in favour:

Councillors E Baines, A Brown, P Browne, J Burrows, J Dale, S Lambert, A MacCartney, M Oxley, K Payne, R Payne, R Powell, L Stephenson, G Waller, S Webb, D Wilby, and R Wilson.

There voted against:

Councillors P Ainsley, N Begy, G Brown, J Fox, O Hemsley, and A Walters.

With 16 votes in favour, and 6 against, the motion was carried.

RESOLVED

That Council

- 1) **APPROVED** the General Fund Budget (Net Expenditure) for 2023/24 of £46.549m (section 9)
- 2) **APPROVED** budget reductions at service level (service savings, reversal of National Insurance rise and use of earmarked reserves) of £1.735m (Section 9.3) and corporate budget reductions of £1.889m as per section 9.3
- 3) **APPROVED** budget increases to meet service pressures of £5.401m arising from the inflation, cost of living and demand (Section 9.3) and a pay contingency of £743k
- 4) **APPROVED** the use of £589k of reserves to subsidise the main budget (Section 9) plus £900k set aside from general reserves to fund the Local Plan, Leisure and High Needs deficit (Section 7.1.4)
- 5) **APPROVED** the Council Tax resolution in Appendix 9 including an increase in Council Tax for Rutland County Council of 4.99% (2% for the Adult Social Care precept and 2.99% for main council tax) resulting in a Band D charge of £2,013.04 (Section 8)
- 6) **APPROVED** the award of up to an additional £25 discount on council tax bills for those individuals receiving local council tax support with an outstanding council tax liability to be funded from a Government grant (section 8.2.13).
- 7) **NOTED** the outcome of consultation (section 13)
- 8) **APPROVED** changes to earmarked reserves as per Section 7.1.4
- 9) **APPROVED** additions/deletions to the capital programme as per Section 10
- 10) **NOTED** the position on the Dedicated Schools Grant budget (Section 12)
- 11) **NOTED** that additional revenue or capital expenditure may be incurred in 2023/24 funded through 2022/23 budget under spends to be carried forward via earmarked reserves. The use of reserves for budget carry forwards is not currently shown in the budget but will have no impact on the General Fund
- 12) **APPROVED** the estimated surplus of £38k on the Collection Fund as at 31 March 2023 (Section 8.3) of which £33k is the Rutland share.
- 13) **NOTED** that the Director for Resources may ask for additional funds to support those in hardship as requested by Cabinet if required.

- 14) **APPROVED** the allocation of an increased amount of funding from the Household Support Fund to support those not on LCTS and asks the Strategic Director of Resources to amend the Household Support Fund Policy accordingly in conjunction with the Portfolio Holder with responsibility for Finance. The Policy will be reviewed prior to any allocation of funds in the second half of the HSF programme, probably September 2023, to ensure that it is meeting the objective of supporting those in need and not on LCTS.
- 15) **APPROVED** an additional £20,000 to be allocated to the RCC Hardship Fund to be ring-fenced for those households in significant need and who are not eligible for Local Council Tax Support, to be managed by the Section 151 Officer under delegated authority (on the recommendation of the Revenues and Benefits Manager) who are struggling to meet Council Tax payments. The maximum support will be capped at £100 per household.
- 16) **APPROVED** that if the Hardship Fund was at risk of being overspent, the Director for Resources may ask for additional funds to support those in hardship in line with the existing recommendation 13.
- 17) Council asked that those residents who are the most in need be made aware of the above programmes through the local press, social media, voluntary groups, foodbanks, etc.

11 NOTICES OF MOTION

No notices of motion had been received.

12 ANY URGENT BUSINESS

There were no items of urgent business for consideration.

13 DATE OF NEXT MEETING

This was noted to be on 27 March 2023.

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The Chairman declared the meeting closed at 8.22 pm.

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Rutland County Council

Catmose Oakham Rutland LE15 6HP.

Telephone 01572 722577 Email governance@rutland.gov.uk

Minutes of the 246th **(SPECIAL) MEETING of the COUNCIL** held in the Council Chamber, Catmose, Oakham, Rutland, LE15 6HP on Tuesday, 21st February, 2023 at 7.00 pm

PRESENT:

Councillor J Dale (Chairman)	Councillor P Ainsley
Councillor E Baines	Councillor D Blanksby
Councillor A Brown	Councillor G Brown
Councillor P Browne	Councillor J Burrows
Councillor J Fox	Councillor S Lambert
Councillor A MacCartney	Councillor M Oxley
Councillor R Payne	Councillor K Payne
Councillor R Powell	Councillor L Stephenson
Councillor L Toseland	Councillor G Waller
Councillor S Webb	Councillor D Wilby
Councillor R Wilson	

OFFICERS PRESENT:

Mark Andrews	Chief Executive
Angela Wakefield	Director of Legal and Governance
Tom Delaney	Governance Manager

ABSENT:

Councillor N Begy	Councillor D Blanksby
Councillor W Cross	Councillor S Harvey
Councillor O Hemsley	Councillor A Walters

1 APOLOGIES

Apologies were received from Councillors N Begy, D Blanksby, W Cross, S Harvey, O Hemsley and A Walters.

2 CHAIRMAN'S ANNOUNCEMENTS

The Chairman confirmed he would provide any announcements at the next ordinary meeting of the Council on 27 February.

3 ANNOUNCEMENTS FROM THE LEADER, MEMBERS OF THE CABINET OR THE HEAD OF PAID SERVICE

There were no announcements from the Leader, Members of the Cabinet or Head of Paid Service.

4 DECLARATIONS OF INTEREST

There were no declarations of interest.

5 PETITIONS, DEPUTATIONS AND QUESTIONS FROM MEMBERS OF THE PUBLIC

No petitions, deputations or questions had been received from members of the public.

6 QUESTIONS FROM MEMBERS OF THE COUNCIL

No questions had been received from Members of the Council.

7 APPOINTMENT TO STRATEGIC DIRECTOR POSTS

Report No. 36/2023 was introduced by Councillor K Payne, Portfolio Holder for Finance, Governance and Performance, Change and Transformation. The report sought Council approval for the appointments of Kirsty Nutton as Strategic Director for Resources (S151 Officer) and Kim Sorsky as Strategic Director for Adults and Health following a recruitment process including interview by a Chief Officer Appointments Committee.

A motion to approve the recommendations of Report No. 36/2023 was moved by Councillor K Payne and seconded. Upon being out to the vote, with 21 votes in favour the motion was unanimously carried.

RESOLVED

- 1) That Council, on the recommendation of the Chief Officer Appointment Committee, **APPROVED** the appointments of:
 - a) Kirsty Nutton as Strategic Director Resources (S151 Officer)
 - b) Kim Sorsky as Strategic Director Adults and Health on an internal arrangement for 12 months

8 DATE OF NEXT MEETING

The next meeting was noted as being on 27 February 2023 (Budget).

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The Chairman declared the meeting closed at 7.06 pm.

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COUNCIL

27 March 2023

CABINET RECOMENDATIONS TO COUNCIL

Report of the Cabinet

Strategic Aim:	Sustainable lives	
Exempt Information	No	
Cabinet Member(s) Responsible:	Cllr D Wilby, Portfolio Holder for Education and Children’s Services Cllr R Powell, Deputy Leader and Portfolio Holder for Planning, Highways and Transport	
Contact Officer(s):	Dawn Godfrey, Strategic Director for Children's Services	01572 758358 dgodfrey@rutland.gov.uk
	Bernadette Caffrey , Head of Early Intervention, SEND and Inclusion	01572 720943 bcaffrey@rutland.gov.uk
	Penny Sharp, Strategic Director for Places	01572 758160 psharp@rutland.gov.uk
	Andrew Tatt, Principal Highways Manager	atatt@rutland.gov.uk
Ward Councillors	NA	

DECISION RECOMMENDATIONS

That Council, on the recommendation of Cabinet:

SEND Capital Funding

- 1) Approves the allocation of £1,000,390 from Department for Education Capital Grant funding provided to Rutland County Council to resource Capital programmes and develop additional school facilities locally for children with Special Needs and Disabilities.
- 2) Delegates authority to the Strategic Director for Children and Families and the Strategic Director for Resources to decide how the maximum allocation will be applied.
- 3) Delegates authority to the Strategic Director for Children and Families in consultation with the Director of Legal & Governance, Monitoring Officer and the Portfolio Holder with responsibility for Children’s Services, to enter into all necessary agreements to progress the programme.
- 4) Notes that the Capital Grant has conditions and that RCC will have to sign an assurance statement confirming RCC has used the Capital Grant for its intended

purpose. Accordingly, any capital programmes will not create any ongoing revenue pressure from use of the Capital Grant and that the programme only support schemes that either reduce or avoid costs.

- 5) Notes the tight grant timelines, the Delivering Better Value Review context and the imperative for agile project working.
- 6) Notes the anticipated projects will likely increase sufficiency of SEND places in Early Years and

Highways Capital Programme 2023

- 1) Approves the spend from the Department for Transport (DfT) allocation for the Highway Capital Programme for the Capital Highway Maintenance Block, Integrated Transport, Capital Pothole and Incentive Funds received to the value of £2,843,000 for 2023/24 as per Appendix A to Report No. 35/2023
- 2) Delegates authority to the Strategic Director of Places in consultation with the Portfolio Holder for with responsibility for Highways to agree any substitution of projects if the identified schemes cannot proceed.

1 PURPOSE OF THE REPORT

- 1.1 To present the recommendations of Cabinet to Council for consideration.

2 BACKGROUND AND MAIN CONSIDERATIONS

- 2.1 Cabinet considered the below reports at it's meeting on Tuesday, 14 February and made several recommendations to Council.
 - 2.1.1 Report No. 30/2023 – SEND Capital Funding
 - 2.1.2 Report No. 35/2023 – Highways Capital Programme 2023/24
- 2.2 The reports and their appendices are appended to this report in full.

3 CONSULTATION

- 3.1 As set out in Report No. 30/2023 and Report No. 35/2023.

4 ALTERNATIVE OPTIONS

- 4.1 As set out in Report No. 30/2023 and Report No. 35/2023.

5 FINANCIAL IMPLICATIONS

- 5.1 As set out in Report No. 30/2023 and Report No. 35/2023.

6 LEGAL AND GOVERNANCE CONSIDERATIONS

- 6.1 As set out in Report No. 30/2023 and Report No. 35/2023.

7 DATA PROTECTION IMPLICATIONS

7.1 As set out in Report No. 30/2023 and Report No. 35/2023.

8 EQUALITY IMPACT ASSESSMENT

8.1 As set out in Report No. 30/2023 and Report No. 35/2023.

9 COMMUNITY SAFETY IMPLICATIONS

9.1 As set out in Report No. 30/2023 and Report No. 35/2023.

10 HEALTH AND WELLBEING IMPLICATIONS

10.1 As set out in Report No. 30/2023 and Report No. 35/2023.

11 ORGANISATIONAL IMPLICATIONS

11.1 As set out in Report No. 30/2023 and Report No. 35/2023.

12 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

12.1 Council is recommended to approve the recommendations of Cabinet.

13 BACKGROUND PAPERS

13.1 As set out in the agenda and minutes from Cabinet on 14 February 2023.

14 APPENDICES

14.1 Report No. 30/2023 – SEND Capital Funding

14.2 Report No. 35/2023 – Highways Capital Programme

Appendix A – proposed Highway Capital Programme for 2023/24

Appendix B – Highways Asset Condition Surveys

A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.

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CABINET

14 February 2023

HIGHWAYS CAPITAL PROGRAMME 2023/24

Report of the Portfolio Holder for Planning, Highways and Transport

Strategic Aim:	Sustainable Lives	
Key Decision: Yes	Forward Plan Reference: FP/091222	
Exempt Information	No	
Cabinet Member(s) Responsible:	Councillor Rosemary Powell, Deputy Leader and Portfolio Holder for Planning, Highways and Transport	
Contact Officer(s):	Penny Sharp, Strategic Director for Places	01572 758160 psharp@rutland.gov.uk
	Andrew Tatt, Principal Highways Manager	atatt@rutland.gov.uk
Ward Councillors	All Wards	

DECISION RECOMMENDATIONS

That Cabinet:

1. Recommends to Council the approval of the spend from the Department for Transport (DfT) allocation for the Highway Capital Programme for the Capital Highway Maintenance Block, Integrated Transport, Capital Pothole and Incentive Funds received to the value of £2,843,000 for 2023/24 as per Appendix A.
2. Recommends Council to delegate authority to the Director of Places in consultation with the Portfolio Holder for Planning, Highways and Transport to agree any substitution of projects if the identified schemes cannot proceed.

1. PURPOSE OF THE REPORT

- 1.1 The report seeks approval of the Highway Capital Programme proposed for 2023/24. The programme also includes the Integrated Transport, Capital Highway Maintenance Block, Integrated Transport and both the Capital Pothole and Incentive Funds allocation by the Department for Transport (DfT) received to the value of £2,843,000 for 2023/24 as shown in Appendix A.
- 1.2 As the total funding is in excess of £1m, the report recommends to Cabinet to

delegate recommendations for approval of the programme to Council in line with the Councils Constitution Financial Procedure Rules.

2. BACKGROUND AND MAIN CONSIDERATIONS

- 2.1 The Highways Capital Programme supports the Council's statutory duties as a highway authority. The programme is prioritised from highways asset condition surveys and inspections and takes a risk-based approach. The capital programme delivers on the targets as set out in the 2020 -2026 Corporate Plan.
- 2.2 The Capital Highway Maintenance Block Funding, Capital Pothole and Incentive Funds, was confirmed by letter from the DfT on 28th February 2022 and is to support the desire to ensure the continued safe operation of the highway network.

3. HIGHWAYS CAPITAL PROGRAMME

- 3.1 Appendix A sets out the Highways Capital Programme of works, which covers proactive drainage, bridges, carriageways and footways schemes, of the Capital Highway Maintenance Block, Integrated Transport, together with the Capital Pothole and Incentive funds from the Department for Transport (DfT) for 2023/24.
- 3.2 The programme of works as outlined in Appendix A will be followed, however if unknown prohibitive circumstances arise on a site, or a more serious defective site occurs over the year 2023/24, which is deemed to warrant more urgent intervention for health and safety reasons, then a site may be substituted to allow for this within the allocated budget. The substituted site would then feature high on the list for next allocation.
- 3.3 The report therefore makes a recommendation for delegation of authority to the Director of Places in consultation with the Portfolio Holder for Planning, Highways and Transport to agree any substitution of projects if the identified schemes can't proceed.
- 3.4 The capital highways maintenance block allocation from DfT is £1,058,000, with the Pothole fund also £1,058,000 and the Incentive Fund is £265,000 and Integrated Transport of £462,000 for 2023/24.
- 3.5 It should be noted that the current volatility in the market, particularly with higher bitumen and fuel costs as well as other construction materials including electrical components for equipment, for example, costs of Traffic Signals have increased sharply in some cases. It is reasonable to assume that this may continue into 2023/24, which may have an impact on scheme estimates. We have, therefore, looked to adjust our delivery programme accordingly to lessen the impact where this is possible.
- 3.6 It is proposed that drainage as well as the carriageway and footway allocation will include proactive works, drainage scheme and including preventative surface treatments and patching methods.
- 3.7 The drainage, bridges, carriageway and footway funding being made up of:
 - Focus on proactive drainage works following initial investigations.
 - Preventative maintenance programmes of carriageway resurfacing including

pre-patching and footway treatments.

- A further programme of carriageway patching to stop minor defects becoming potholes.
- Micro asphalt surface treatment to carriageways.
- Regeneration recycling scheme of the carriageway along Manor Lane Barleythorpe.
- Bridge works.
- Resurfacing carriageway schemes.
- Traffic Light replacement of equipment for safety reasons.
- Safety Schemes.

3.8 This proactive approach to preventative highway maintenance interventions using both mechanical surveys and sound engineering judgment, has been proven to ensure our classified network remains in a good condition.

3.9 The National Highways and Transport (NHT) customer survey for the second year running has put Rutland in the top quartile for customer satisfaction with our network. Rutland scored significantly (5%) higher than the NHT average (50%).

4. CONSULTATION

4.1 National Highways and Transport Survey (NHT) as well as wider public consultation has taken place to help inform and reinforce the strategic approach to highway asset management.

5. ALTERNATIVE OPTIONS

5.1 Defer the programme until later in the year. This was discounted as the highway authority would miss required earlier start slots with national supply chain partners for seasonal surface treatment works as well as the ability to commence drainage schemes in a timely and coordinated manner.

6. FINANCIAL IMPLICATIONS

6.1 The council has received grant funding for highways and this report proposes using that funding on its intended purpose.

6.2 Cabinet agreed the principle in December that Highways capital income should be allocated to 'Highways works.

6.3 See Cabinet report of 13th December 2022:

<https://rutlandcounty.moderngov.co.uk/documents/g2611/Public%20reports%20pack%2013th-Dec-2022%2010.00%20Cabinet.pdf?T=10>

6.4 The DfT (Government External) capital funding has been used to assist with the Council's overall financial position and deliver a revenue saving with some revenue funded posts being able to be capitalised.

6.5 This grant is also being looked at in the context of other areas of our revenue

maintenance budget to ensure we allocate and use the optimum processes and products in the most efficient and effective manner for the authority.

7. LEGAL AND GOVERNANCE CONSIDERATIONS

7.1 The Council has a duty under Section 41 of the Highways Act 1980, to maintain the Highway in such a state as to be safe and fit for the ordinary traffic that may reasonably be expected to use it. The highways capital programme is part of the Council's evidence that it is fulfilling its statutory duty and also meets the strategic aims of "delivering sustainable development".

8. DATA PROTECTION IMPLICATIONS

8.1 A Data Protection Impact Assessment (DPIA) has not been completed for the following reasons, because no personal data is being processed.

9. EQUALITY IMPACT ASSESSMENT

9.1 An Equality Impact Assessment screening has not been undertaken and there are no adverse effects due to this policy.

10. COMMUNITY SAFETY IMPLICATIONS

10.1 Well maintained highways and good highways drainage contributes towards road safety.

11. HEALTH AND WELLBEING IMPLICATIONS

11.1 Failure to deliver a sustainable maintenance programme will lead to a decline in the quality of the highway networks throughout Rutland, leading to reductions in the quality of:

1) Transport links.

2) Access to safe and useable highways, footway and cycleways, which promotes activities such as walking and cycling.

12. ORGANISATIONAL IMPLICATIONS

12.1 Environmental implications

12.2 The programme of work will include the exploration and will implement the use of materials where practicable, which optimise the carbon reduction measures and their usage, while ensuring a functional and cost effective balance is maintained. Implementing environmental best practice where practicable throughout the contract.

12.3 Procurement Implications

12.4 There are no procurement implications. The Highway Capital Programme will be delivered through the highways contract with Tarmac.

13. CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

13.1 Cabinet recommendation to Council for the approval of the allocation of the Highway

Capital Programme funding for the future maintenance of the carriageway, footways, bridges and drainage assets using a risk based approach. Additionally, to undertake safety schemes and reshape the highways maintenance capital programme to provide investment in carriageways, much needed investment in footways and highways drainage. Approval will allow the Council to fulfil its statutory duties with regard to highway maintenance and road safety.

14. BACKGROUND PAPERS

14.1 There are no additional background papers to the report.

15. APPENDICES

15.1 Appendix A - Proposed Highway Capital Programme for 2023/24.

15.2 Appendix B – Highways Asset Condition Surveys.

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Appendix A- Proposed Allocation for Highway Capital programme for 2023/24 for the HMB fund allocation, pothole fund and HMB Incentive Element.

Capital Programme Budget 2023/24	Total available funding
HMB fund Allocation	£1,058,000
Potholes Fund	£265,000
HMB incentive element	£1,058,000
Integrated Transport Block	£462,000
Total funding	£2,843,000

	Maintenance Function Areas	Allocated amount
CE1112	Carriageway Maintenance- Patching, pre surface dressing patching, minor resurfacing	£470,000.00
CE1060	Carriageway Surface Dressing	£160,000.00
CE1227	Carriageway Micro asphalt	£50,000.00
CE1228	Hydro-blasting	£90,000.00
CE1005	Footway Resurfacing	£60,000.00
CE1111	Footway Dressing	£40,000.00
CE1006	Bridges	£120,000.00
CE1231	Drainage Schemes	£150,000.00
CE1236	Street Lighting	£20,000.00
NEW	Traffic Signal upgrade	£154,000.00
NEW	Integrated Transport	£462,000.00
NEW	Illuminated sign survey	£20,000.00
	Manor Lane, Barleythorpe	£221,600.00
NEW	A606/A1 Overbridge	£63,550.00
NEW	A6121/A1 Overbridge	£121,500.00
NEW	B1081 Great North Road	£120,350.00
CE1153	Condition Survey & Programming	£60,000.00
CE1154	Capital Overheads	£300,000.00
Salary	Capitalised salary costs	£160,000.00
	Total	£2,843,000.00

Carriageway Maintenance - Patching and minor resurfacing (Budget £470,000)-

Identified from the GAIST visual condition surveys, visual inspections, pre surface dressing patching and SCRIM data.

Scheme ID	Parish	Road name	Location
2023CM01	Brooke	Braunston Rd	America Lodge X roads to Leighfield
2023CM02	Seaton	Penns Hill	B672 junction to Village
2023CM03	North Luffenham	Pinfold Lane	Edith Weston Road Junc to PH

2023CM04	Lyndon	Luffenham Road	Opposite Pick Barns
2023CM05	Belton	College Farm Road	Village to End
2023CM06	Bisbrooke	Manton Road	A47 to Preston / Glaston Rd
2023CM07	Morcott	Willoughby Road	Main St to end
2023CM08	Seaton	Main Street	30mph to PH
2023CM09	North Luffenham	Moor Lane	Digby Drive to Pilton Road junc.
2023CM10	Belton	Loddington Lane	Back Lane to Chapel St
2023CM11	North Luffenham	Lyndon Lane	To Lyndon
2023CM12	Uppingham	A47	Junction of Glaston Road
2023CM13	Wing	Lyndon Lane	Railway Bridge to Lyndon
2023CM14	Ketton	Stamford Road	K Cement 542/543
2023CM15	Morcott	B672 Redhill	From A47 to Coach bridge

Surface Dressing Programme (Budget £160,000)- Identified from visual inspections and SCRIM survey.

Scheme ID	Parish	Road name	From	To
2023SD01	Empingham	Main Street	End	End
2023SD02	Empingham	Church Street	End	End
2023SD03	Empingham	Crocket Lane	End	End
2023SD04	Belton	Leicester Road, A47	Wardley Hill	to previous SD joints

Carriageway Micro Asphalt (Budget £50,000)

Scheme ID	Parish	Road name	Location
2023MA01	Ryhall	Rutland Way/Church St/The Square	Coppice Road to Bridge Street
2023MA02	Uppingham	Willow Close	All areas
2023MA03	Uppingham	Brook Close	All areas
2023MA04	Ryhall	Bridge Street	All areas

Footway Resurfacing (Budget £60,000)

Scheme ID	Parish	Road name	From
2023FW01	Oakham	Coldoverton Road	Various
2023FW02	Oakham	Kennady Close	All
2023FW03	Oakham	Glebe Way	Hudson to Warn Cres
2023FW04	Oakham	Glebe Way	Warn cres to warn cres
2023FW05	Oakham	Malvern Walk	All areas
2023FW06	Clipsham	Church Lane	ALL
2023FW07	Tinwell	Main Street	Various
2023FW08	Wing	Middle Street	The Jetty to Bottom Street
2023FW09	Preston	Cross Lane	No5 to End
2023FW10	Uppingham	London Road	Junction of South View to Redlands LHS
2023FW11	Preston	Uppingham Road	Riddlington Road Link
2023FW12	Glaston	Church Lane	Lynchgate
2023FW13	Uppingham	Ayston Road Link	Branston Road to Ayston Rd
2023FW14	Preston	Uppingham Road	Cross Lane to Preston Court

Footway Dressing Programme (Budget £40,000) - Identified from visual footway inspections.

Scheme ID	Parish	Road name	To
2023FD01	Toll Bar	Tolethorpe	end
2023FD02	Oakham	Station Road	Kilburn Road
2023FD03	Oakham	Welland Way	Dove
2023FD04	Ketton	Spinney Road	Timbertage Rd
2023FD05	Ketton	Burnhams Road	Park Road
2023FD06	Wing	Mill Close	All
2023FD07	Morcott	Main Street	Cemetary
2023FD08	Lyndon	All	All
2023FD09	Uppingham	Willow Close	All
2023FD10	Ketton	Timbergate Road	Park Road

Bridges (Budget £120,000)

Scheme ID	Parish	Road Name	Bridge Name
2023B01	Tixover	Mill Street	Mill Street Duddington LB

Drainage Programme (Budget £150,000)- Identified from flooding occurrences in both 2020/21 & 2021/22 and further investigatory work in 2022/23. The number of projects completed in 2023/24 with depend on scope of the projects following any outstanding investigation works.

Scheme ID	Parish	Road name	Details
2023CD01	Ryhall	Foundry Road	New run required
2023CD02	Langham	Burley Road	Replacement run from Lowther to Harewood Close
2023CD03	Langham	Burley Road	Near Zebra crossing new run and levels for pipework
2023CD04	Preston	Oakham Road - adjacent to pond	Replacement pipe run
2023CD05	Oakham	Braunston Road	Replacement pipe run
2023CD06	Burley	Cottesmore Road	Replacement pipe run
2023CD07	Whissendine	Ashwell Road	Replacement pipe run
2023CD08	Ketton	Aldgate	Replacement pipe run
2023CD09	Thorpe by Water	Main Street outside Manor House	Replacement pipe run
2023CD10	Braunston	Knossington Road	Replacement 5m run
2023CD11	Uppingham	Station Road	Renew system
2023CD12	Belmesthorpe	Shephards Walk	Replacement pipe run
2023CD13	Barrowden	Tippings Lane	Replacement pipe run
2023CD14	Edith Weston	Weston Road	o/s no.20 New drainage run
2023CD15	Market Overton	Main Street	Replacement run from village green to Thistleton Road
2023CD16	Barleythorpe	Manor Road	Replacement run (investigations on going)

Traffic Signal Upgrade (Budget £154,000)

Scheme ID	Crossing Type	Parish	Road name	Location/ description
2023TS01	Pelican Crossing	Oakham	High Street	By The Market Place
2023TS02	Pelican Crossing	Oakham	High Street	By Oakham Congregational Church
2023TS03	Pelican Crossing	Oakham	Burley Road	Outside C of E primary school
2023TS04	Pelican Crossing	Uppingham	London Road	By Redhill Way

Integrated Transport (Budget £462,000) – Identified through Highway Concerns raised and assessments carried out.

Scheme ID	Parish	Road name	Description
ITCP-2017-13	Manton	Lyndon Top	Cycleway
ITCP-2020-06	Ketton	Geeston	Footpath
ITCP-2020-27	Oakham	Oakham Road Langham	Widening Footpath
ITCP-2021-81	Caldecott	Lyddington Road Caldecott	Layby improvements
		Various	Dropped Crossings
		Various	Various Safety related works

Appendix B: Highways Asset Condition Surveys.

Carriageways	Machine based surveys	Frequency
	SCANNER (Surface Condition Assessment for the National Network of Roads) - A driven survey with lasers to identify defects in the carriageway i.e. potholes rutting, cracking, areas where the surface is deteriorating and processed by 'on-board computers. It produces a Road Condition Indicator (RCI) and it allows the deterioration on one section of road to be compared with another. It produces a prioritised listing of different lengths of carriageway for the highway engineer to amalgamate into schemes and treatments such as surface dressing, patching, resurfacing and proprietary products.	Annual
	Sideway-force Coefficient Routine Investigation Machine - Measures the wet skid properties of the carriageway with a priority on bends and at junctions. Through a series of investigatory levels determines whether some form of intervention is required. These may be a resurfacing, a high skid resistance material or skid warning signs. The highway engineer reviews the outputs of the investigation and prioritises any treatments.	Annual
	Visual Inspections	
	Highway inspectors undertake regular carriageway inspections to identify defected requiring reactive interventions, roads needing proactive programming of patching and other maintenance functions. This information is also used to repudiate insurance claims with evidence that the authority is doing everything practical to keep the network safe.	Monthly to annual, depending on classification or road
	GAIST Visual Inspection survey - GAIST is a company specialising in supporting local authorities in managing highway assets. Their survey consists of them taking a high definition video of the whole highway network from a moving vehicle. This is then processed by a specialist team of surveyors who review the video and identify defects to the carriageway such as potholes, areas of deterioration and cracking. They are less able to identify rutting and some other defects. The GAIST visual inspection data is added to the SCANNER and SCRIM data and via a series of algorithms gives the carriageway network ratings of between 1 and 5 (5 is bad) it also gives the percentage of the section at the condition rating. The condition ratings are combined giving each section an overall condition rating. The output allows the highway engineer to assign appropriate length schemes and treatments allocated to the carriageway network.	Annually
Footways	Footway Network Survey (FNS) - This is a visual condition survey for footways and is undertaken systematically to all the footways to identify the main defects (potholes, cracking and other defects). This gives each section a condition rating and allows the highway engineer to prioritise the worst sections for treatment.	Not undertaken, footways are inspected during the road inspection by the inspectors.
Structures	Highway structures are generally bridges and culverts over 1.0 m in diameter, retaining walls and the like. They may be a can be a proper bridge or just a large preformed pipe, which may be circular in diameter or a 'box culvert'. Irrespective they are treated in the same way and are the subject of a structural general inspection (annual) which is a general check on its condition, what may have deteriorated since the last inspection. There is also a structural principal inspection (every 6 years) and is a detailed inspection of the structure, and may require physical checks, and detailed investigations. The output of each are written up as structural reports and reviewed by a competent bridge engineer. It set out the recommended proactive maintenance work, the reactive maintenance work and, any structural deficiencies which may need short term traffic restrictions and any structural maintenance work necessary to restore the integrity of the structure. Leicestershire County Council structures team provides help and support for the management of our structures.	Principal – 6 years General – Annually
Street Lighting	All street lighting columns are the subject of a visual inspection when an operative attends site to affect any repair. This will identify any visual defects associated with the column and if any action is needed. This information should be held against the column on the highway asset management database and used to determine a column replacement programme. Additionally, there are a series of structural and column wall thickness tests all designed to provide condition data. Most of these are expensive and are part of a long-term programme.	Visual when fault has been reported, others not used on a preventative basis.
Traffic Signals	The main traffic signal assets are the signal posts and the equipment cabinets. As with streetlights, these are the subject of visual inspections when operatives visit site, but as faults are generally few and far between, the proxy condition survey is using the age of the assets and of the traffic signal systems. Modern signal systems include self-diagnosis for faults and traffic flow smoothing to allow for peaks and troughs in traffic. Leicester City Council's traffic control team provide support and advice to Rutland for all traffic and pedestrian lights.	When faults have been detected.
Traffic Signs, Lines and Studs	The most effective method of inspection of traffic signs and lines and road studs is from a driven survey by lines and stud: the highway inspectors during the day and at also night to determine the extent of the observed condition of each at the different times of the day. Signs should be reflective at night, be clean and may be obscured by trees and hedges. There are a number of technologies being trialled to collect condition data, including the use of artificial intelligence, to capture asset data, however these can be expensive and are subject to an amount of data	As part of the visual inspection of the carriageway.

	sorting post inspection and prioritisation. Generally, the replacement of these assets is from the revenue budget, unless it's a part of a larger scheme.	
Highway Drainage	Highway drainage consisting of road gullies, offset kerbs (the hole in a kerb for water disposal). Beeny Blocks (a series of holes in the kerb where the water flows away), grips (channel cut in rural verges) pipes and outfalls. It is the highway asset with the least inventory data that has been collected and its condition is also least known. The main flood areas are those where we have captured some drainage inventory and condition data. This information is used to prioritise sites for improvement with those sites where properties could flood of the highest priority. The highway engineer determines the works programme on a risk-based approach.	Reactive basis.

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CABINET

14 February 2023

SEND CAPITAL FUNDING

Report of the Portfolio Holder for Education and Children's Services

Strategic Aim:	Sustainable Lives	
Key Decision: Yes	Forward Plan Reference: FP/090122	
Cabinet Member(s) Responsible:	Councillor David Wilby, Portfolio Holder Education and Children's Services	
Contact Officer(s):	Dawn Godfrey, Strategic Director for Children's Services	01572 758358 dgodfrey@rutland.gov.uk
	Bernadette Caffrey , Head of Early Intervention, SEND and Inclusion	01572 720943 bcaffrey@rutland.gov.uk
Ward Councillors	All	

DECISION RECOMMENDATIONS

That Cabinet recommends to Council:

1. To approve allocation of £1,000,390 from Department for Education Capital Grant funding provided to Rutland County Council to resource Capital programmes and develop additional school facilities locally for children with Special Needs and Disabilities.
2. Delegates authority to the Strategic Director for Children and Families and the Strategic Director for Resources to decide how the maximum allocation will be applied.
3. Delegates authority to the Strategic Director for Children and Families in consultation with the Director of Legal & Governance, Monitoring Officer and the Portfolio Holder for Education and Children's Services, to enter into all necessary agreements to progress the programme.
4. Notes that the Capital Grant has conditions and that RCC will have to sign an assurance statement confirming RCC has used the Capital Grant for its intended purpose. Accordingly, any capital programmes will not create any ongoing revenue pressure from use of the Capital Grant and that the programme only support schemes that either reduce or avoid costs.
5. Notes the tight grant timelines, the Delivering Better Value Review context and the imperative for agile project working.
6. Notes the anticipated projects will likely increase sufficiency of SEND places in Early Years and Primary phase mainstream education and Secondary Phase Alternative provision.

1 PURPOSE OF THE REPORT

- 1.1 Rutland's vision is to support all children and young people with Special Educational Needs and or Disabilities (SEND) to lead healthy, independent, and safe lives, to be a County that promotes inclusion, to maximise their opportunities to be independent and focuses on their abilities not their disabilities and wherever possible, have their needs met locally. (Rutland SEND and Inclusion Strategy 2021).
- 1.2 Key to the success of Rutland's SEND and Inclusion Strategy and SEND Recovery Plan, is the ability of RCC to secure the required range of places for children with Education Health and Care plans (EHCPs) within Rutland itself, or through placing children in close geographical locations where provision is available, so that more children are educated closer to home, have the resilience of peer networks and better preparation for adulthood.
- 1.3 Local education placements offer better value for money and the benefit of greater focus on school autonomy and sector-driven improvement. They help grow the confidence and skills of school leaders and staff and the quality of inclusionary practice and support to families. They enable local practice to respond to what children and families tell us is important about schools and services, in supporting good family life.
- 1.4 The DfE grant allocations are therefore aligned with the intentions of the SEND Recovery Plan which include a range of projects designed to reduce the overspend on SEND placements and bring the DSG High Needs Budget (HNB), pressures back in line with the resources available over time. ¹

2 SPECIAL EDUCATIONAL NEEDS AND DISABILITIES CONTEXT IN RUTLAND

- 2.1 Special Needs Education is funded by the Dedicated Schools Grant, the High Needs Block Expenditure has increased by 34% from £3.8 million in 2018/2019 to £5.1million in 2021/2022. A deficit of £1.06 million is currently being reported on the High Needs Block. The Council's SEND Recovery Plan funded from the High Needs Block is having a positive impact, but demand is outstripping the savings we generate from the actions in the recovery plan.
- 2.2 The number of EHCNAs requests has increased year on year. In January 2023 there are 318 Education Health and Care Plans, an increase in volume of 22 Plans since March 2022.
- 2.3 The most common primary need for children with an EHCP resident in Rutland is Autistic Spectrum Disorder, (33%) followed by Moderate Learning Difficulties (20%) and Social, Emotional and Mental Health (20%).
- 2.4 Rutland is taking part in the Department for Education Delivering Better Value Programme with Phase 1 of this Programme starting in February 2023. Phase 1 will take an analytical approach, to examine efficacy of current projects designed to bring the HNB into balance and identify other additional actions to consider. At the end of Phase 1 there will be the opportunity to apply for £1million grant funding to underpin an implementation plan to deliver sustainable change.

¹ HIGH NEEDS BUDGET DEFICIT - SEND RECOVERY PLAN

Schools Forum support £364k of additional annual investment from the High Needs Block to implement a range of projects aimed at increasing capacity in mainstream schools to support children and young people with SEND remaining in mainstream education and to flourish in education.

3 HIGH NEEDS CAPITAL GRANT PROJECTS

- 3.1 In March 2020, the DfE announced High Needs Provision Capital Allocations (HNPCA) for local authorities. The HNPCA funding, is designed to develop or improve facilities or purchase specialist equipment at good or outstanding provision for children with an Education Health and Care Plan (EHCP).
- 3.2 Cabinet delegated previous funding and has received regular updates on plans -see most recent SEND Cabinet Programme reports; Report No: 71/2019, Report No. 07/2022
- 3.3 Prior funding has enabled the following Capital developments:
- Uppingham Community College Enhanced Resourced Secondary Provision for 10-15 children with Communication and Interaction Needs
 - Uppingham Community College Mainstream-plus developments -, reorganising facilities to better meet the teaching needs of 50 children, over a 5-year period, with Education Health and Care plans in mainstream secondary education.
 - Nurture interventions in support of Rutland's Primary schools as well as facilities at Edith Weston with enhanced providing support to 4-6 children at any time and their families with attachment or trauma.
- 3.4 Project Management methodologies have steered the projects which has provided assurance and evidenced full Programme compliance. Each Capital project has been completed on time and in budget.
- 3.5 Rutland has a remaining DfE HNCPA allocation of £1,000,390 Capital which needs to be committed by March 2024, and as has previously been the case, no revenue budget has been provided to underpin the startup costs of projects.

4 TIMELINE FOR DELIVERING FUTURE CAPITAL PROJECTS

- 4.1 RCC will employ proportionate processes including 'Expressions of Interest' with schools to determine motivation and viability, to reorganise education facilities to take advantage of Capital funding and meet SEND sufficiency requirements.
- 4.2 Once preferred partners are identified Feasibility options reports will be commissioned by RCC Property Services on behalf of the SEND Programme Board to evaluate options and support decision making.
- 4.3 All planned work will use RCC Programme methodology to manage actions, timescales, risks, and issues. A lessons learned log has been updated throughout the previous capital programmes and pertinent learning has been incorporated into the planning for upcoming projects.
- 4.4 All Project Boards report to the SEND Programme Board, the Senior Responsible Officer is Dawn Godfrey, Strategic Director for Children and Families. The SEND Programme Board acts as the Executive Board, reporting to Cabinet. Schools Forum also receive update reports.
- 4.5 All facilities developed will meet the needs of the children accessing places and be

in line with Rutland's SEND and Inclusion Strategy.

4.6 Formal agreements with providers will set out each operating model and a quality and performance review cycle to provide assurance and to iron out any operational issues.

4.7 The types of projects under consideration for capital investment are:

- Primary Designated Special Provision (DSP places) for 1 year bulge 2023-24. Following years may not be required.
- An opportunity to develop Alternative Provision for Rutland students some of whom will not have an Education Health and Care plan but are at risk of being excluded from receiving their educational entitlement. This would provide short term interventions expected to be between 3 months and 2 years, offering a more sustainable alternative to provisions usually commissioned by Rutland.
- Early Years and Primary Mainstream small group facilities that may be utilised as Family Hub facilities as well. Building on the learning from the Secondary mainstream-plus small group arrangements (at UCC) developing Mainstream plus places 2024 onwards.

5 RISKS AND MITIGATIONS

5.1 Feasibility options reports will determine how many projects can be developed, there may be insufficient budget or time to deliver all capital works, there is a small risk that committed expenditure may be clawed back by DfE, if not spent.

- Mitigation – manage position, including grant agreements and commitment of funds to minimise risk.

5.2 Delays or shortage of professional services, contractors or supplies impact confidence in the building programme and create delays in the building timeline.

- Mitigation - appointing experienced professional services to steer these stages of delivery and bring to bear industry experience and connectivity.

5.3 RCC Community and parent concerns

- Mitigation – regular communication and clear collaborative messaging through Rutland Parent Carer Voice, Parental collaboration and engagement sessions and through School networks.

5.4 A detailed Risks, Actions, and Decisions (RAID) Log is held at Project and Programme level to identify and manage Risks and Issues throughout the programme.

6 ALTERNATIVE OPTIONS

6.1 RCC has a duty to provide sufficient education places for children with Special Educational Needs and Disabilities. All the alternative options cost more, require children to travel further afield (with associated costs to RCC) and impact their ability to form and benefit from being educated with community peers.

7 FINANCIAL IMPLICATIONS

- 7.1 A Department for Education (DfE) grant provides High Needs Provision Capital funding for 2022/24 which is designed to develop or improve facilities or purchase specialist equipment at good or outstanding provision for children with an Education Health and Care Plan in consultation with parents and carers and to meet local SEND needs. Added to the remaining Special Provision Capital Funding provided as a grant previously this means there is a Capital fund of £1,00,390 for RCC to draw upon to fully fund improved facilities.
- 7.2 The Capital Grant has conditions and RCC will have to sign an assurance statement confirming RCC has used the Capital Grant for its intended purpose - to develop or improve facilities or purchase specialist equipment or provision for children with SEND. Accordingly, any capital programmes agreed with education providers will need their assurance that it will not create any ongoing revenue pressure for the Local Authority. Additionally any agreements with education providers will have a clear intention and outcome that the use of the Capital Grant programme will be to support schemes that either reduce or avoid costs on the HNF and the SEND system.
- 7.3 No revenue costs have been provided by DfE to accompany this capital grant. When selecting a suitable lead partner, the expression of interest form highlighted the request for capacity to be available from schools to support development and start-up of the new facilities and operational planning to meet children's needs. It is possible that the Delivering Better Value Review process may identify start-up costs for 'invest to save' projects in SEND as a possible area for grant investment and Section 106 funding may also be considered where relevant to assist in this area.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

- 8.1 Legal agreements with covenant conditions to protect the funding awarded will be drawn up. These will cover delivering the agreed plan for the building development, maintaining funding allocation to separate elements of the scheme, as well as ensuring the facilities continue to be used for its defined purpose.

9 DATA PROTECTION IMPLICATIONS

- 9.1 A Data Protection Impact Assessments (DPIA) has not been completed because there are no risks or issues to the rights and freedoms of natural persons.

10 EQUALITY IMPACT ASSESSMENT

- 10.1 A full Equality Impact Assessment is not required. The Local Authority has a duty under the Children Act and the SEND Code of Practice to meet the needs of children with additional need or deemed to be children in need.
- 10.2 An Equality Impact Assessment has not been completed because there are no service, policy or organisational changes being proposed.

11 COMMUNITY SAFETY IMPLICATIONS

- 11.1 There are no community safety implications.
- 11.2 The LA has a statutory obligation to safeguard vulnerable children at home and in the community, some children with SEND may be supported as Children in Need

under Section 17 of the Children Act 1989

12 HEALTH AND WELLBEING IMPLICATIONS (MANDATORY)

- 12.1 Children who attend education settings have full benefits of their learning environment, peer and community connections and relationships. These are evidenced to improve long term resilience, aspiration, and wellbeing.
- 12.2 All plans for facilities will be subject to consultation as part of the planning process and DfE schedules and will set out how they will provide appropriate mainstream focused learning environments.

13 ORGANISATIONAL IMPLICATIONS

- 13.1 RCC capacity directly attributable to a Capital building programme, in line with Finance regulations for use of Capital funding, may be appropriately resourced from the HNCPA. The SEND Programme Board has discussed and agreed a budget allocation for this work of £48k, this may be uplifted in 2023/24. This budget will contribute to Property, Legal and Project Management costs directly attributable to the Capital building programme.

14 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 14.1 Recommends Council to approve allocation of £1,000,390 from Department for Education Capital Grant funding provided to Rutland County Council to resource Capital programmes and develop additional school facilities locally for children with Special Needs and Disabilities.
- 14.2 Delegates authority to the Strategic Director for Children and Families and the Strategic Director for Resources to decide how the maximum allocation will be applied.
- 14.3 Delegates authority to the Strategic Director for Children and families in consultation with the Director of Legal & Governance, Monitoring Officer and the Portfolio Holder for Education and Children's Services to enter into all necessary agreements to progress the programme.
- 14.4 Notes that the Capital Grant has conditions and that RCC will have to sign an assurance statement confirming RCC has used the Capital Grant for its intended purpose. Accordingly, any capital programmes will not create any ongoing revenue pressure from use of the Capital Grant and that the programme only support schemes that either reduce or avoid costs.
- 14.5 Recognises that the tight timelines associated with the DfE Grant will require rapid decision making delegated to the SEND Programme Board.
- 14.6 Agrees to receive update reports at key points in time related to the subsequent capital building timelines and progress.

15 BACKGROUND PAPERS

- 15.1 There are no background papers.

16 APPENDICES

- 16.1 There are no appendices.

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COUNCIL

27 March 2023

REPORT ON USE OF SPECIAL URGENCY PROVISIONS

Report of the Leader of the Council

Strategic Aim:	A modern and effective Council	
Exempt Information	No	
Cabinet Member(s) Responsible:	Cllr L Stephenson, Leader and Portfolio Holder for Policy, Strategy, Partnerships and Economy Cllr S Harvey, Portfolio Holder for Health, Wellbeing and Adult Care	
Contact Officer(s):	Mark Andrews, Chief Executive	01572 758339 mandrews@rutland.gov.uk
	Angela Wakefield, Director of Legal and Governance	01572 758220 awakefield@rutland.gov.uk
Ward Councillors	NA	

DECISION RECOMMENDATIONS

That Council:

- 1) Notes the Cabinet’s use of Special Urgency provisions on 14 February 2023 in relation to a decision on the Catmose Sports Leisure Contract.

1 PURPOSE OF THE REPORT

- 1.1 To report to Council on the use of Special Urgency provisions in relation to a decision made by the Cabinet on 14 February 2023.

2 BACKGROUND AND MAIN CONSIDERATIONS

- 2.1 Procedure Rule 107 sets out the process by which a decision may be taken by the Executive (Cabinet) that has not been able to be advertised for 28 days in advance via the Forward Plan, and was also not able to be advertised five working days prior to the decision via a general Exception Notice and the published agenda of the meeting.
- 2.2 Where these circumstances occur the decision can only be considered where the decision taker has obtained the agreement of Chairman of the relevant Scrutiny Committee that the taking of the decision cannot be reasonably deferred.

- 2.3 Procedure Rule 108 then requires that whenever the Special Urgency provisions set out above are used; the Leader of the Council must submit a report to Council within six months providing a summary of the matters in respect of which those decisions were taken.

3 CATMOSE SPORTS LEISURE CONTRACT

- 3.1 On 14 February 2023, Cabinet received an urgent notice of motion and chose to rescind its previous decision regarding Catmose Sports Centre, based on renewed interest from leisure operators arising after the original decision had been taken on 12 January 2023. Cabinet chose to approve the extension of the current contract with Stevenage Leisure Limited for up to two years, to enable the development and implementation of a new model for future provision and to conduct a new tender exercise.
- 3.2 The decision was not able to be advertised via the Forward Plan 28 days prior to 14 February 2023 as the additional interest had only emerged following publicising of the Cabinet's original decision on 26 January 2023.
- 3.3 The decision was also not able to be deferred to a later meeting than 14 February as to do so would have curtailed the Council's ability to conduct and conclude negotiations with Stevenage Leisure Limited prior to the expiry of the current contract on 31 March 2023.
- 3.4 The Chair of the Strategic Overview and Scrutiny Committee was consulted and agreed that proposed decision couldn't be reasonably deferred to a later Cabinet meeting for the reasons set out above, and agreed that the matter could therefore be considered by Cabinet on 14 February 2023.

4 CONSULTATION

- 4.1 No consultation was required in the preparation of this report; however the Chair of the Strategic Overview Scrutiny Committee was consulted as part of the process set out in Procedure Rule 107.

5 ALTERNATIVE OPTIONS

- 5.1 There are no alternative options as Council is required by Procedure Rule 108 to receive the report.

6 FINANCIAL IMPLICATIONS

- 6.1 There are no financial implications arising from this report.

7 LEGAL AND GOVERNANCE CONSIDERATIONS

- 7.1 Procedure Rules 107 and 108 are consistent with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.
- 7.2 The decision-making process undertaken with regard to Catmose Sports Centre, including submission of this report, complies with the requirements of Procedure Rules 107 and 108.

8 DATA PROTECTION IMPLICATIONS

8.1 A Data Protection Impact Assessments (DPIA) has not been completed because no personal data has been processed in the compilation of this report.

9 EQUALITY IMPACT ASSESSMENT

9.1 An Equality Impact Assessment (EqIA) has not been completed because no service or policy changes are being proposed.

10 COMMUNITY SAFETY IMPLICATIONS

10.1 There are no identified community safety implications.

11 HEALTH AND WELLBEING IMPLICATIONS

11.1 There are no identified health and wellbeing implications.

12 ORGANISATIONAL IMPLICATIONS

12.1 There are no identified organisational implications.

13 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

13.1 The Executive has complied with Procedure Rule 108 through submission of this report and Council is recommended to note the report accordingly.

14 BACKGROUND PAPERS

14.1 The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012:
<https://www.legislation.gov.uk/ukxi/2012/2089/contents/made>

14.2 Constitution of Rutland County Council

14.3 Agenda and minutes of the Cabinet meetings held on 12 January and 14 February 2023:
<https://rutlandcounty.moderngov.co.uk/ieListMeetings.aspx?Committeeld=133>

15 APPENDICES

15.1 There are no appendices to the report.

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COUNCIL

27 March 2023

SECOND HOMES AND EMPTY HOMES - COUNCIL TAX PREMIUM

Report of the Portfolio Holder for Finance, Governance and Performance, Change and Transformation

Strategic Aim:	A modern and effective Council	
Key Decision: Yes	Forward Plan Reference: FP/200123	
Exempt Information	No	
Cabinet Member(s) Responsible:	Cllr K Payne, Portfolio Holder for Finance, Governance and Performance, Change and Transformation	
Contact Officer(s):	Kirsty Nutton, Strategic Director for Resources.	01572 758159 knutton@rutland.gov.uk
	Andrea Grinney, Revenue and Benefits Manager	01572 758227 agrinney@rutland.gov.uk
Ward Councillors	All	

DECISION RECOMMENDATIONS

<p>That Council:</p> <ol style="list-style-type: none"> 1) Approve that the following additional Council Tax premiums be applied from 1 April 2024 (or as soon as legally possible) subject to the required legislation being in place: <ol style="list-style-type: none"> a) a 100% premium for properties which have been empty and unfurnished for longer than one year (rather than 2 years as currently); and b) a 100% premium for second homes.
--

1 PURPOSE OF THE REPORT

1.1 To determine options for proposed changes to Council Tax premiums - as included within the Levelling Up and Regeneration Bill - which, subject to the Bill receiving Royal Assent prior to 31 March 2023, are due to become effective from 1st April 2024.

2 BACKGROUND - LEVELLING UP AND REGENERATION BILL

2.1 In the Government's May 2022 Levelling Up and Regeneration Bill (the Bill), further discretionary Council Tax premium options on empty properties and second homes were proposed. The Government wants to encourage all billing authorities to adopt Council Tax premiums on empty properties with a view to incentivising property owners to bring those properties back into use.

2.2 The Bill also recognises the impact that high levels of second home ownership can have in some areas. Cornwall is often the example quoted where second home ownership is significant.

2.3 Through the Bill it is the Government's intention to:

- reduce the minimum period for the implementation of a premium for empty homes from two years to one year; and
- allow Councils to introduce a premium of up to 100% in respect of second homes (Class A and B properties*).

**A class A dwelling is a dwelling which is not the sole or main residence of an individual, is furnished and the occupation of which is restricted by a planning condition preventing occupancy for a continuous period of at least 28 days in the relevant year.*

**A class B dwelling is a dwelling which is not the sole or main residence of an individual, is furnished and the occupation of which is not restricted by a planning condition preventing occupancy for a continuous period of at least 28 days in the relevant year.*

2.4 Subject to the Bill receiving Royal Assent the proposed changes will come into effect on 1 April 2024 but each Council can choose the premiums it wishes to apply. If the Council wishes to adopt any changes arising from the Bill it is required to make a resolution confirming its requirements by no later than 31 March 2023 as 12 months notice is required for the implementation of changes.

2.5 An early, in principle, agreement to the proposals will allow the Council to make timely decisions if and when Royal Assent is granted.

2.6 Despite the national political picture, it is understood that the Bill continues to make its way through Parliament, with an aim of it obtaining Royal Assent in 'spring 2023'. It is currently uncertain whether the Royal Assent will have been granted in time to allow the changes to be implemented in the 2024 year.

3 DETAILED PROPOSALS

3.1 A 100% premium on second homes

3.1.1 A second home is a furnished property which is not the owner's main home. This includes a property left unoccupied and furnished while waiting for tenants, a property used as a holiday home or an inherited property.

3.1.2 Second home owners currently pay the same council tax as others with one home. The new proposals would in effect see owners paying up to double the amount of

council tax they pay now.

3.1.3 Second home ownership is recognised to have a negative impact in terms of the supply of homes available to meet local housing need. Initial, high level analysis shows that:

- there are c180 second homes (Band D equivalents) so c0.9% of the overall taxbase;
- over 53% of second homeowners, live out of the county or abroad;
- second homes are not restricted to larger council tax bands. The following table breaks down second homes by band;

Band	Number
A	20
B	35
C	39
D	31
E	18
F	17
G	13
H	6

3.1.4 The application of a 100% premium on second homes within Rutland could generate in excess of £400k in additional Council Tax revenue. It is proposed that the Council introduces a 100% council tax premium on second homes for the following reasons:

- the premium could bring in a significant amount of additional council tax income;
- the premium may act as a deterrent for second home ownership in the county – Rutland does not wish to suffer the same fate as areas like Cornwall;
- the premium has the potential to make more homes available for first time buyers or others in need.

3.1.5 In adopting this approach, Members should note that owners of second homes are unable to claim Local Council Tax Support (LCTS) on their second home. LCTS can only be claimed at the main address, and the value of the second home will be taken into account.

3.1.6 There will be no discounts or waivers. The Council operates a waiver scheme for the empty home premium. Owners can apply to have the premium waived if they can demonstrate that they are actively and genuinely marketing an empty home for

sale or let or genuinely renovating the property for occupation. This waiver will not apply to second homes as they are furnished and capable of occupation.

3.1.7 The Council also operates an empty home discretionary discount scheme for owners who are suffering from genuine financial hardship and cannot afford to pay the council tax. This scheme will not apply to second homes as the owner is able to let or sell the property if they are no longer able to afford the upkeep of more than one home.

3.1.8 Income generated from the premium would be shared across all preceptors (including the Police and Fire Authority), although the majority of revenue (circa 86%) would benefit the Council.

3.2 Empty and unfurnished properties

3.2.1 The Council applies a 100% premium for properties which have been empty and unfurnished for longer than two years. Currently the premium raises c£76k per year.

3.2.2 Owners are often unaware that council tax is payable on their empty home as they assume that there are no residents using services that the council provides so a charge will not be applied. Officers explain the rationale for the charge and the waiver schemes detailed at points 3.1.6. and 3.1.7 if they are appropriate.

3.2.3 The most common reasons for a property to remain empty are as follows:

- The property had been inherited and the family can't agree what to do with it;
- The property is old and in need of investment to make it habitable; and
- The owner cannot raise the funds needed to undertake remedial works to let or sell.

3.2.4 In some cases, a property is empty because the owner has died. In these circumstances a statutory exemption is applied from the date the property becomes vacant and for 6 months after probate is granted. This gives the executors time to sell the property or to determine its future use e.g. as a family holiday home. When the exemption expires, usual charges apply.

3.2.5 We propose to now apply the premium after one year. This could generate an additional c£115k and more importantly accelerate empty properties being brought back into use quickly. If it prompts owners to act quickly then this will release homes for use, if it does not then additional funds will be raised.

3.3 Potential impacts and issues

3.3.1 A number of concerns have been raised in regards to whether the application of a second homes premium might encourage Council Tax "avoidance", for instance by the owners of such properties transferring the property to business rates. Given that the Council Tax rates for second homes mirror those of main residences there may also be issues with the current classification of properties within each district's Council Tax system, and the application of a second homes premium may prompt owners to reclassify properties for genuine reasons; reducing the potential revenue that might be derived from the premium.

- 3.3.2 Currently, properties that are available to let for more than 20 weeks (140 days) in a calendar year can be rated as business rates by the Valuation Office Agency (VOA).
- 3.3.3 The only detail needed to support such a claim is evidence of an advertisement for let for the property. From April 2023 this criteria will still apply but additionally it must be demonstrated that the property was available to let for more than 20 weeks in the previous year, and proof must be provided that the property was actually let for short periods totalling at least 70 days.
- 3.3.4 The burden of providing evidence to support future changes will be the homeowners and will be verified by the Council and reported to the VOA. This change should ensure that any properties transferring from Council Tax to Business Rates relate to genuine circumstances where the property is being utilised for business purposes.
- 3.3.5 Another concern that has been mooted is that couples who own second homes may claim that they are living separately and are single occupants of each respective property. If such cases arise there will be mechanisms available to the Council to check the circumstances giving rise to any discount or exemption claimed, including single person discounts. These circumstances can be verified against the information that has been supplied to the council to claim the reduction. Financial penalties can be imposed where false information is provided and will assist in ensuring that data held is accurate.
- 3.4 For background, legislation to apply a 100% premium on second homes was introduced in Wales in 2017/18 and the premium was paid on 24,873 properties in the 21/22 year. This number had increased across Wales by 2,005 from the number recorded at the outset of the scheme in 2017/18. Some areas, which historically had the highest number of second homes (e.g. Gwynedd), have seen downward adjustments to the numbers of recorded second homes and the maximum recorded reduction in any area is 9%.
- 3.5 It is uncertain whether these downward trends have been triggered by avoidance loopholes, or are evidence that the premiums have achieved one of the intended outcomes of bringing second homes back into use as mainstream housing provision.
- 3.6 The second homes figures in Wales suggest that regardless of any avoidance issues that might remain within the system there should still be sufficient incentive for the Council to consider a Council Tax premium on second homes in order to help address the impact of second homes.

4 CONSULTATION

- 4.1 The Bill does not include a statutory requirement to consult and the Council has concluded that it will not consult on this matter. In cases like this then it is not uncommon for those impacted by the premium to be against it and those unaffected to support it.
- 4.2 Cabinet is supportive of the proposals. Whilst Overview and Scrutiny has not considered the issues formally, the issues have been raised at Scrutiny and they are believed to be supportive.

5 ALTERNATIVE OPTIONS

- 5.1 The Council could choose not to implement any premium to second homes or apply a lower rate. As a lower rate does not have the same deterrent or generate the maximum level of income, this is not recommended.

6 FINANCIAL IMPLICATIONS

- 6.1 The additional yield would be c£515k but this could vary if second homes are sold or empty homes are brought back into use etc. The implementation of reliefs carries no additional operational cost and bills would be raised in the normal way.

7 LEGAL AND GOVERNANCE CONSIDERATIONS

- 7.1 The recommendations set out within this report are subject to the Levelling Up and Regeneration Bill receiving Royal Assent.
- 7.2 The setting of Council Tax and any discounts or premiums are a matter for Council in accordance with the Local Government Finance Act 1992.
- 7.3 As noted in 2.4, if the Council wishes to adopt any changes arising from the Bill it is required to make a resolution confirming its requirements by no later than 31 March 2023 as 12 months' notice is required for the implementation of changes.

8 DATA PROTECTION IMPLICATIONS

- 8.1 A Data Protection Impact Assessments (DPIA) has not been completed as there are no specific issues arising.

9 EQUALITY IMPACT ASSESSMENT

- 9.1 An Equality Impact Assessment has not been completed as there are no specific issue arising.

10 COMMUNITY SAFETY IMPLICATIONS

- 10.1 None.

11 HEALTH AND WELLBEING IMPLICATIONS

- 11.1 None.

12 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 12.1 Members are asked to apply the following premiums from 1 April 2024, subject to the required legislation being in place.
- a) a 100% premium for properties which have been empty and unfurnished for longer than one year (rather than 2 years as currently); and
 - b) a 100% premium for second homes.
- 12.2 This will encourage more empty homes into productive use, while enable the council to raise additional revenue to support local services.

13 BACKGROUND PAPERS

13.1 There are no background papers to the report.

14 APPENDICES

14.1 There are no appendices to the report.

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COUNCIL

27 March 2023

PAY POLICY 2023-24

Report of the Portfolio Holder for Policy, Strategy, Partnerships and Economy

Strategic Aim:	A modern and effective Council	
Exempt Information	No	
Cabinet Member(s) Responsible:	Cllr L Stephenson, Leader of the Council and Portfolio Holder for Policy, Strategy, Partnerships and Economy	
Contact Officer(s):	Mark Andrews, Chief Executive	01572 758339 mandrews@rutland.gov.uk
	Carol Snell, Head of Human Resources	01572 720969 csnell@rutland.gov.uk
Ward Councillors	N/A	

DECISION RECOMMENDATIONS

That Council:

1. Approves the 2023-2024 annual Pay Policy (Appendix A)
2. Notes the updated position regarding the Local Government Pay Award for 2023.
3. Approves a local pay structure for Apprenticeships.

1 PURPOSE OF THE REPORT

1.1 This report presents the 2023-2024 annual Pay Policy to Council – this is a requirement of the Localism Act 2011.

2 Members are also advised via this paper of the latest position regarding the Local Government Pay Award for the financial year 2023-24.

3 PAY POLICY FOR 2023-2024

3.1 The key provisions contained with the Pay Policy remain unchanged for 2023-24. Should changes to existing policy become necessary, such proposals will be considered in the context of budget pressures and organisational risk prior to consultation with the Trade Unions and submission to Employment and Appeals Committee.

3.2 Members are asked to consider one proposal as outlined in paragraph 3.3 regarding Apprenticeship pay.

3.3 Proposal for a local arrangement for Rutland Council Apprentices:

3.3.1 The Council is committed to welcoming and supporting Apprentices into the Council – providing opportunities for individuals from all ages, from those who have limited or no work experience/qualifications, to those wanting a career change. It is important that we enable Apprentices to be recognised across the organisation as a highly effective means for us to build our pipeline of skills and future talent.

3.3.2 There are national minimum wage rates for Apprentices that start at £4.81 per hour (rising to £5.28 in April 2023). This increases slightly with age.

3.3.3 Apprentices are in ‘apprenticeship posts’ on a fixed term basis, with no guarantee of a permanent role. They also receive:

- Payment for training time that is part of the apprenticeship – at least 20% of normal working hours i.e. if the post is full-time, they receive full pay for working 80% of the time.
- Training costs that are part of the apprenticeship and any associated expenses.

3.3.4 Our success has been varied – we have some excellent examples of where Apprentices have gone on to secure permanent roles with the Council and progressed their career. The last two years has been more challenging – periods of lockdown did not provide a conducive working environment for some - we have more stability now. In addition, Apprenticeship roles provides an ideal route to grow our own talent – particularly where recruitment challenges continue.

3.3.5 The following table therefore presents a proposal for a local pay structure that would enable us to proactively identify apprenticeship roles within the Council and recruit individuals into these positions with a fair rate of pay that is attractive and competitive.

3.3.6 Proposal – in developing this model we have considered:

- Comparisons with other authorities who either already have, or are considering, developing similar structures.
- A reasonable level of increase - clearly any increase in rate increases the overall cost of an Apprentice and we need to be mindful that a negative impact could be they become unaffordable. There is therefore a balance between financial pressures but having an eye to the future and securing talent.

	Proposed April 2023	Compared to NMW April 2023
Year 1 – all ages	£7.49	£5.28
Year 2 – 17–20 year-olds	£7.49	£5.28 (age 17) £7.49 (age 18-20)
Year 2 - 21+	£10.18	£10.18
	Plus any national increase	

3.3.7 The majority of the Council's apprentice standard qualifications are pursued by existing employees who as part of their substantive role are also following further professional training – in some cases this is via a Career Grade structure. They receive the full rate of the job and are not therefore affected by this proposal.

4 NATIONAL PAY AWARD

4.1 As with 2021, we once again saw lengthy consultations between National Employers and the three recognised trade unions (Unison, GMB and Unite) for the 2022 pay award. Following balloting of their members the uplift of £1,925 on all pay points was agreed by Unison and GMB in November 2022. Unite did not vote in favour. This represents a 10.5% increase for the lowest pay point. The pay award also included an increase in annual leave of one day for all NJC Green Book employees from April 2023.

4.2 As we now turn to the pay award for April 2023, the current position is:

4.2.1 UNISON, GMB and Unite have lodged their pay claim - 12.7% (RPI of 10.7 % + 2%). They also wish to achieve a minimum rate up to £15 per hour within 2 years. Other aspects of their claim include a review of family leave and pay, an additional day of annual leave for personal or well-being purposes, homeworking allowance, reduction of the working week by two hours, review of the pay spine.

4.2.2 In response, the National Employers agreed unanimously to make the following one-year (1 April 2023 to 31 March 2024), full and final offer to the unions representing the main local government NJC workforce:

- With effect from 1 April 2023, an increase of £1,925 (pro rata for part-time employees) to be paid as a consolidated, permanent addition on all NJC pay points 2 to 43 inclusive (*this would relate to our Grade Scales 1 to P04*).

- With effect from 1 April 2023, an increase of 3.88% on all pay points above the maximum of the pay spine but graded below deputy chief officer (in accordance with Green Book Part 2 Para 5.42) (*This would apply to pay points on our P05 Grade*).

- With effect from 1 April 2023, an increase of 3.88% on all allowances (as listed in the 2022 NJC pay agreement circular dated 1 November 2022). (*This relates to allowances such as Sleeping In and Standby*).

4.2.3 This offer would achieve a bottom rate of pay of £11.59 with effect from 1 April 2023 (which equates to a pay increase of 9.42% for employees on pay point 2) and everyone on the NJC pay spine would receive a minimum 3.88% pay increase.

4.2.4 The National Employers have also made the following full and final, one-year (1 April 2023 to 31 March 2024) offer for Chief Officers:

- With effect from 1 April 2023, an increase of 3.50% on basic salary. *This would apply to our Heads of Service and Directors on our local senior officer pay scale.*

4.3 At the time of writing this report, we were advised that the 3 Unions have rejected the offer. Unison has announced a ballot for industrial action, whilst GMB and Unite members will be consulted on the basis of a recommendation that the offer be rejected. This may result in industrial action if supported. We will continue to contribute to the discussions to ensure we are fully aware of national developments

and also to represent the view and position of the Council.

5 CONSULTATION

5.1 There are no further consultation issues arising from this paper.

6 ALTERNATIVE OPTIONS

6.1 The Council is required to publish an annual Pay Policy in accordance with the Localism Act.

6.2 We are contractually required to implement national pay agreements as we remain aligned to national pay bargaining through the National Employers and recognised Trade Unions.

6.3 The Council could continue to pay the national minimum wage rates for Apprentices.

7 FINANCIAL IMPLICATIONS

7.1 The Council makes annual provision in its budget for a national pay award. In 2023 this figure is 4%. We will assess any further impact and pressure on our MTFP as and when pay negotiations are concluded for 2023.

7.2 If Council approval the proposal in Para 3.3 for an increase to pay rates for Apprentices, the cost per apprentice would be £4,260 per annum. This would be met by service salary budgets.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

8.1 The Localism Act 2011, section 38 sets out the requirement for all relevant authorities to prepare a pay policy statement and stipulates the matters to be included. Rutland County Council is a relevant authority for these purposes. Section 39 of the Localism Act states that the pay policy statement must be prepared and approved before the end of the 31 March immediately preceding the year to which it relates..

9 DATA PROTECTION IMPLICATIONS

9.1 A Data Protection Impact Assessments (DPIA) has not been completed as there are no changes to the Council's Pay Policies.

10 EQUALITY IMPACT ASSESSMENT

10.1 An Equality Impact Assessment (EqIA) has not been completed as there are no changes to the Council's Pay Policies. The Council separately reports on its Gender Pay Gap to the Employment and Appeals Committee.

11 COMMUNITY SAFETY IMPLICATIONS

11.1 There are no community safety implications arising from this report.

12 HEALTH AND WELLBEING IMPLICATIONS

12.1 There are no health and wellbeing implications arising from this report.

13 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 13.1 A Pay Policy statement ensures the Council is compliant with the Localism Act and provides a clear framework and structure that describes how we pay our staff and the mechanisms we use – this ensures transparency and fairness.
- 13.2 Members are updated on the outcome of the 2023 pay negotiations.
- 13.3 Members are also asked to consider a local pay arrangement for Apprenticeship posts.

14 BACKGROUND PAPERS

- 14.1 There are no additional background papers to this report.

15 APPENDICES

Appendix A - Pay Policy Statement 2023-2024.

A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.

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1. Scope of this policy

1.1 The Pay Policy Statement sets out the Council's approach to pay and remuneration in accordance with the requirements of Section 38 to 43 of the Localism Act and takes account of The Local Government Transparency Code. It does not extend to Schools.

1.2 The Pay Policy must be formally approved by Full Council by the end of March each year and can be amended in year. Once approved by Full Council, this policy statement will come into immediate effect and will be subject to further review on an annual basis.

1.3 The scope of this policy covers:

- Information on the Council's pay and conditions of service for its Chief Officers and wider workforce.
- Other specific aspects of Chief Officer Remuneration such as fees, charges and other discretionary payments.

1.4 A key requirement of the Localism Act is to set senior pay in the context of pay of the wider workforce and specifically the lowest paid staff. The pay of most staff covered by this Policy is determined by the National Joint Council for Local Government officers (Green Book) as the Council remains part of the nationally agreed framework.

1.5 The definition of Chief Officers for the purpose of this pay policy includes the Head of Paid Service, Directors, and Heads of Service.

2. Chief Executive and Chief Officer pay

2.1 The Chief Executive in Rutland discharges the accountability of Head of Paid Service – a statutory role defined by the Local Government and Housing Act. The conditions of service for the Chief Executive is determined by the Joint Negotiating Committee for Chief Executives.

2.2 The Chief Executive of Rutland County Council has been appointed as Returning Officer. The Returning Officer is an officer of the Council who is appointed under the Representation of the People Act 1983. Whilst appointed by the Council, the role of Returning Officer is one which involves and incurs personal responsibility and accountability and is statutorily separate from his/her duties as an employee of the Council.

2.3 The fees in respect of Returning Officer duties at Local Government elections are included in the Chief Executive's salary. A separate fee is received for elections such as the Police and Crime Commissioner, European and Parliamentary elections, and Referendum.

2.4 The grading structure of the Chief Executive and Chief Officer posts is determined by a job evaluation process (supported by the Local Government Association). The Chief Executive post is assigned as Grade CX – this is the only post within this grade. Chief

Officer posts are Director posts (Grades C01, C02 and C03), Heads of Service across all Directorates (Grades HOS1 and HOS2). There is currently no post in the C01 grade.

2.5 The pay value and range is determined locally and reviewed periodically against salary comparisons against similar posts in other local authorities. Due to Rutland's scale, direct comparators to a similar authority is more complex and the Council therefore reviews a range of salary models across Shires, Unitaries, Counties, District and Boroughs. All other conditions of service are determined by the respective Joint Negotiating Committee. Pay points are uplifted in accordance with the respective Joint Negotiating Committee pay awards on an affordability basis, ie. the Council retains the provision to not apply the full JNC pay award if it is considered cost prohibitive.

2.6 Progression within the pay band takes place on 1 April each year up to the top of the grade. However, annual progression will be withheld if the post holder is subject to formal capability or disciplinary.

2.7 The Joint Negotiating Committees for Chief Executives and Chief Officers respectively, reached agreement on the April 2021 pay award of an uplift of £1,925 per annum across all pay points. This is the same uplift as the National Joint Council (NJC) for Local Government workers.

2.8 There are no other additional elements of remuneration in respect of overtime, flexi-time, bank holiday working, stand-by payments, etc., paid to these senior managers. Senior managers at Rutland County Council do have the benefit of time off in lieu (TOIL) according to the authority's policy.

2.9 In addition to basic salary, senior managers are entitled to:

- Reimbursement of membership fees incurred in relation to membership of professional bodies (essential to the role)
- Business mileage undertaken – based on HMRC mileage rates
- Reimbursement of expenses which may be claimed as applicable to all other employees of the Council
- Payments for election duties.

3. The wider workforce

3.1 The Council remains aligned to national pay negotiations led by the National Employers in consultation with national trade unions (Unison, Unite and GMB). The pay award for April 2022 was agreed in November 2022 with an uplift of £1,925 across all pay points. The Council has extended the national pay spine to include pts 44 and 48 on a local agreement basis. This provides a pay range for the P05 grade.

3.4 The Council adopts the provision in the National Joint Council (NJC) Green Book and Statement of Written Particulars that enables the withholding of April increments for 'unsatisfactory service'.

3.5 Terms and Conditions of employment are in the most aligned to the NJC for Local Government Officers (Green Book) accept where locally agreed terms have been agreed.

3.6 Common with other local authorities, the Council employs staff on other terms and conditions of employment as relevant to their professional group, as follows:

- FENJC (Further Education National Joint Council) – applicable to Adult Learning Tutors
- Youth and Community Workers ('Pink Book').

3.7 On appointment, employees are normally appointed to the minimum point of the grade. However, for market and attraction reasons, they may be appointed above the minimum point.

4. Allowances and payments

4.1 Employees who are required to work overtime receive rates outlined in accordance with the National provisions (Green Book). Overtime is not payable to employees paid above scp 22. Appendix 5 outlines where there are supplementary local arrangements.

4.2 The Council recognises that at times it may be difficult to recruit new employees or retain existing staff in key posts. To ensure the Council attracts and maintains a skilled and experienced workforce, market supplements, recruitment and retention payments may be paid in addition to the post grade subject to a strategic review with substantial evidence and data. Due regard will be given to the Financial Procedure Rules.

4.3 Relocation expenses may be paid to employees to cover additional costs they may incur as a result of relocating. These are in accordance with the Relocation Policy.

4.4 Employees temporarily acting up or covering additional responsibilities for a role which is graded higher than their substantive grade may be paid an appropriate level for the duties they are asked to perform. Such arrangements are provided for in the Council's Acting Up and Additional Responsibility Allowance Policy.

4.5 The Council will pay professional subscription fees on behalf of employees where the subscription or membership is an essential requirement to the duties of the post.

4.6 The Council reimburses subsistence expenditure necessarily incurred by the employees on Council business in line with the Council's Travel and Expenses Policy.

4.7 Employees will be in receipt of salary protection resulting from a change of role, grade and salary as part of a service review or restructure, in accordance with the Council's Restructure Policy.

4.8 The Council provides provision for employees who as part of their role are required to undertake standby duties.

5. Local Government Pension Scheme

5.1 All staff who are members of the Local Government Pension Scheme make individual contributions to the scheme depending on their salary. Contribution rates for 2023-2024 range from 5.5% to 12.5%.

5.2 The Council makes employer's contributions into the scheme which are reviewed by the actuary. The rate for 2023-24 is 19.5%.

6. Relationship of Senior Pay to the Pay of the Wider Workforce

6.1 For the purposes of this policy, the Council defines its lowest paid employees as those in the lowest salary grade (Grade 1) on the nationally agreed scales (NJC Green Book). Based on the April 2022 pay values, this is £20,258 (£10.50 per hour).

6.2 It has been recommended by Will Hutton's 2011 Review of Fair Pay in the Public Sector that local authorities publish their "pay multiple" - the ratio between the highest paid salary and the median salary of the whole of the authority's workforce. This is in order to support the principles of fair pay and transparency.

Based on April 2022 values

Chief Exec's Salary	£138,621
Median salary	£26,845
"pay multiple" ratio	1 : 5.16

6.3 *Lowest paid staff comparison table:*

There are 3 staff who are categorised as the Council's lowest paid staff as per the definition in paragraph 6.1. (excludes casuals and apprentices) Based on 1 April 2022 values:

Chief Exec's salary	£138,621
Lowest salary from lowest paid staff group	£20,812
"pay multiple" ratio (lowest salary)	6.67 : 1
Average salary of lowest paid staff group	£20,812
"pay multiple" ratio (average salary)	6.67 : 1

7. Termination payments

7.1 In relation to the termination of employment, the Council will have due regard to the making of any appropriate payments where it is in the Council's best interests. Any such payments will be in accordance with contractual or statutory requirements and take into account the potential risk and liabilities to the Council, including any legal costs, disruption to services, impact on employee relations and management time. The Council will have specific regard to the legal requirements which apply to the termination of employment of the Head of Paid Service (Chief Executive), the Section 151 Officer (Strategic Director Resources) and the Monitoring Officer (Director of Legal and Governance).

7.2 Redundancy payments made by the Council are in line with regulation 5 of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006. This provides an overall lump sum of the statutory redundancy payment multiplier based on actual weeks' pay. This is payable to employees made redundant with two or more years local government service.

7.3 Discretions that are provided by the LGPS are contained within a separate policy.

8. Re-engagement of employees

8.1 Employees who are offered another post with any organisation covered by the Modification Order Act prior to their redundancy leaving date and commence within 4 weeks of leaving, are not eligible to receive a redundancy payment.

8.2 Employees who have been made redundant are eligible to apply for vacancies which may arise after they have left the Council's employment. Any such applications will be considered together with those from other candidates and the best person appointed to the post. Any necessary adjustment to pension would be made in accordance with the scheme regulations.

8.3 The Council will not re-engage an ex-employee (who has been made redundant) in the capacity of a consultant, interim or agency worker within 2 years of leaving the Council. A shorter period may be considered in exceptional circumstances only (eg. significant skills shortage) and by approval of the Chief Executive.

9. Gender Pay Gap Reporting

9.1 In accordance with the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 which came into force on 31 March 2017, employers with at least 250 employees are required to publish annual information as at 31 March each year. This information is published on the Council's website and on the Government's Gender Pay Gap website. It is also reported to Employment and Appeals Committee on an annual basis.

10. Appendices

- 1 Glossary of terms
- 2 Chief Officer Pay Scale
3. Salaries above £50,000 in £5,000 bands
4. Rutland Pay Structure (NJC Green Book)
- 5 Allowances and Benefits – local terms

Version & Policy Number	Version 11
Guardian	Human Resources
Date Produced	January 2023
Next Review Date	January 2024

Approved by Full Council	
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Pay Policy 2023-2024 – Glossary of Terms

NJC 'Green Book'	NJC stands for National Joint Council. The Green book is the document that contains the national agreement on pay and conditions of service for 1.4 million local government services. This applies to most staff in Rutland (<i>excludes for example Youth Workers, and Tutors, and senior officer posts on JNC Conditions - see below</i>).
NJC Pay Spine	This relates to the salary levels that are negotiated through the Local Government Association (as the 'National Employer') and the trade unions (ie. Unison, GMB, Unite). Rutland's salary scales for posts on grades 1 through to P04 are determined by this pay scale and we are therefore subject to national pay bargaining which is led by the Local Government Association and negotiated with the trade unions.
Spinal Column Points (SCP)	The pay spine is made up of a number of Spinal Column Points (SCPs) and each has an associated salary value. These national spinal column points are then used to shape pay grades – therefore each grade has a number of spinal column points. SCPs are also sometimes known as incremental steps.
Annual / incremental progression	This is linked to the SCPs and provides for progression to the next SCP within the job holders grade. This takes place on 1 April each year until the employee reaches the top of their grade – there is then no further SCP/ incremental progression and any pay increase is associated with any annual pay award that is negotiated nationally. Part of the national pay conditions means that an employee joining between October and March receive their first SCP progression/increment, 6 months after joining.
JNC for Chief Executives	This is the Joint Negotiating Committee (JNC) for Chief Executives and is the national negotiating body for the pay and conditions of service of Chief Executives in England and Wales. It is made up of representatives from the Local Government Association as the national employer and also representatives of Chief Executives and the registered independent trade union (ALACE).
JNC for Chief Officers	Similar to the JNC for Chief Executives but this relates to the terms and conditions of posts that are attached to a Chief Officer position. In Rutland this includes Directors and the two Heads of Service grades.

Market Supplements	Market supplements are payable where the 'going rate' for a specific job or specialism is higher than that offered by the Council. The enhancement brings the base salary to a comparable market rate that enables the Council to recruit and retain key skills.
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Pay Policy 2023-2024 – Grade and Pay Structure for Chief Officers

Pay point figures relate to the 1.4.22 pay award.

Job Title	Grade	Pay Points as at 1.4.22
Chief Executive	CX	£134,747 £136,686 £138,621 £140,282
No posts currently attached to this grade	C01	£107,077 £109,014 £110,951 £112,611
Strategic Director Resources (s.151 Officer) Strategic Director Places Strategic Director Children and Families Strategic Director Adults and Health	C02	£90,474 £92,411 £94,348 £96,008
Director of Legal and Governance (Monitoring Officer)	C03	£81,343 £83,279 £84,940
Head of School Improvement Head of Childrens Social Care Head of Early Intervention, SEND and Inclusion Head of Adult Social Care Head of Safe and Active Public Realm	HOS1	£71,656 £73,285 £74,811 £76,318 £77,823 £79,405
Head of Commissioning, Health and Wellbeing Head of Culture and Registration Head of IT and Customer Services Head of Human Resources Head of Finance Head of Property Services Head of Community Care Services Head of Sustainable Economy and Place Head of Corporate Services	HOS2	£64,053 £65,542 £67,065 £68,575 £70,075 £71,607

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Rutland County Council – Salaries over £50,000

In line with Section 12 of the Code of Recommended Practice for Local Authorities on Data Transparency. Salaries are shown in £5,000 bands, as at 1 April 2022

Directorate	Contract Title
£135,000 - £139,999	
Chief Executives	Chief Executive
£95,000 - £99,999	
Resources Places	Strategic Director Resources (S151 Officer) Strategic Director Places
£90,000 - £94,999	
People – Adults People – Children	Strategic Director Adults and Health Strategic Director Children Services
£80,000 - £84,999	
Resources	Director of Legal and Governance
£75,000 - £79,999	
People – Children People – Children People – Children Places	Head of Early Help, SEND and Inclusion Head of School Improvement Head of Children Social Care Head of Public Realm
£70,000 - £74,999	
People – Adults People – Adults Places People – Adults Places Resources Resources Places	Head of Adult Social Care Head of Commissioning Health and Wellbeing Head of Property Services Head of Community Care Services Head of Culture and Registration Heat of IT and Customer Services Head of Human Resources Head of Sustainable Economy
£65,000 - £69,000	
Resources Resources	Head of Corporate Services Head of Finance
£55,000 - £59,000	
People – Children People – Adults People – Adults Places Places Resources Resources	Service Manager – Supporting Families Hospital and Clinical Integration Lead Service Manager – Prevention and Safeguarding Development Manager – Planning Principal Highways Manager Business Intelligence Manager Corporate Project Programme Manager
£50,000 - £54,999	
People – Adults People – Children People – Children Places People – Adults Places Resources	Service Manager Community Care Services Service Manager – SEND and Inclusion Service Manager Safeguarding (Children) Planning Policy and Housing Manager ASC Quality Lead/Principal Social Worker Principal Operations Manager (Public Protection and Environment Services) Communication Services Manager

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PAY STRUCTURE - 1 April 2022

Appendix 4

NJC Green Book

Notes

Pay points 10,13,15,18 and 21 are excluded from Rutland pay structure.

Grade P05 is a Rutland local grade - pay points are uplifted in line with the National Pay Award.

		April 2022 pay		
Pay Grade		SCP	£ per annum	£ per hour
Grade 1		1	20258	10.50
1 - 3				
		2	20441	10.60
		3	20812	10.79
Grade 2				
3 - 4		4	21189	10.98
Grade 3		5	21575	11.18
5 - 6				
		6	21968	11.39
		7	22369	11.59
Grade 4		8	22777	11.81
7 - 11		9	23194	12.02
		10	23620	12.24
		11	24054	12.47
		12	24496	12.70
Grade 5		13	24948	12.93
12 - 17		14	25409	13.17
		15	25878	13.41
		16	26357	13.66
		17	26845	13.91
		18	27344	14.17
Grade 6		19	27852	14.44
19 - 22		20	28371	14.71
		21	28900	14.98
		22	29439	15.26
		23	30151	15.63
Grade S01		24	31099	16.12
23 - 25		25	32020	16.60
		26	32909	17.06
Grade S02		27	33820	17.53

26 - 28	28	34723	18.00
	29	35411	18.35
	30	36298	18.81
Grade P01	31	37261	19.31
29 - 32	32	38296	19.85
	33	39493	20.47
	34	40478	20.98
Grade P02	35	41496	21.51
33 - 36	36	42503	22.03
	37	43516	22.56
Grade P03	38	44539	23.09
37 - 39	39	45495	23.58
	40	46549	24.13
Grade P04	41	47573	24.66
40 - 43	42	48587	25.18
	43	49590	25.70
	44	51631	26.76
Grade P05	45	52581	27.25
44 - 48	46	53513	27.74
	47	54455	28.22
	48	55389	28.71

Rutland County Council Allowances and Benefits

Monetary Benefits

Mileage rates	Paid in line with current HMRC rates
Acting up/Additional Responsibility Allowance	At levels appropriate to the post acted up to
Expenses	Paid at NJC rates
Market Supplements	Where the need for a supplement has been demonstrated through recruitment practices and benchmarking
Professional fees/ Training subscriptions	Where essential and appropriate to the post
Standby	In accordance with Corporate Policy
Relocation	Where applicable and in accordance with the Relocation Policy
Sleeping In	Paid at NJC rates

Local agreement regarding weekend enhancements:

For work on a Saturday or Sunday as part of the normal working week, payment will be made at time and a half for all hours worked. For employees paid at SCP 4 or below, work on a Sunday will be at double time. Work on a Saturday or Sunday outside the normal working week will be regarded as overtime.

Local agreement – enhancements for weekend working for Registrars

Registrars will be paid enhancements for weekend working - work on a Saturday or Sunday as part of the normal working week, payment will be made at time and a half

Consolidated salaries

Where roles are defined as providing a service over 7 days, such contracts will be considered as all-inclusive with no differentiation of pay rates between Monday to Friday and weekends (unless and accept that such rates are necessary for recruitment and retention purposes).

Shift Allowance

The Council working patterns do not include shift patterns and therefore there are no supplementary payments or allowances other than those provided by overtime or weekend enhancements.

Apprentices rates of pay

The Council pays an hourly rate above the National Minimum Wages rates for Apprentices in order to provide a fair and competitive rate of pay that enables us to recruit and retain quality Apprentices.

Other benefits – where appropriate to the post

Flexi time

Time off in lieu (TOIL)

Other flexible working arrangements where appropriate for the post

Training – professional training and/or internally arranged where appropriate.

COUNCIL

27 March 2023

REVIEW OF STRATEGIC OVERVIEW AND SCRUTINY COMMITTEE

Report of the Portfolio Holder for Finance, Governance and Performance, Change and Transformation

Strategic Aim:	A modern and effective Council	
Exempt Information	No	
Cabinet Member(s) Responsible:	Cllr K Payne, Portfolio Holder for Finance, Governance and Performance, Change and Transformation	
Contact Officer(s):	Angela Wakefield, Director of Legal and Governance	01572 758220 awakefield@rutland.gov.uk
	Tom Delaney, Governance Manager	01572 720993 tdelaney@rutland.gov.uk
	Jane Narey, Scrutiny Officer	01572 722577 jnarey@rutland.gov.uk
Ward Councillors	N/A	

DECISION RECOMMENDATIONS

That Council:

1. Receives and notes the report on the Strategic Overview and Scrutiny Committee.
2. Recommends that the Strategic Overview and Scrutiny Committee develop and implement an improvement plan addressing areas of concern early in the new municipal year.
3. Recommends that as part of the 2023 Member Induction, all Councillors regardless of role be mandated to attend relevant training events on the role of Scrutiny and the skills required.
4. Agrees that the membership of the Committee be reduced from nine to seven elected Members, with effect from Annual Council in May 2023.

1 PURPOSE OF THE REPORT

- 1.1 To report to the Commission on the review of the Strategic Overview and Scrutiny Committee.

2 BACKGROUND AND MAIN CONSIDERATIONS

- 2.1 On 11 April 2022, the Council agreed to change its operational Overview and Scrutiny function, moving from three committees broadly based on directorates, to a single Strategic Overview and Scrutiny Committee with commissioning powers to set up small Working Groups, Task and Finish Groups, Single Issue Panels and /or Inquiries.

- 2.2 Some of the objectives in establishing a single Committee included:

- Establishing more informal methods of Scrutiny to facilitate greater involvement from Members beyond those appointed to the Committee.
- Ensuring better communication between Scrutiny and the Executive including informal discussions on potential items for review.
- Better focused Scrutiny undertaking detailed examination of certain items.
- Enabling Scrutiny to become more strategic and better able to examine cross-directorate themes based on those of the Corporate Strategy.
- Delivering work of genuine value and relevance to the work of the wider Council and not stuck in unnecessary bureaucracy and meetings.

- 2.3 As part of the resolution, it was agreed that there would be a review with a report back to Council on the effectiveness of the Strategic Overview and Scrutiny Committee in delivering its set objectives.

3 WORK UNDERTAKEN BY SCRUTINY IN THE 2022-2023 MUNICIPAL YEAR

- 3.1 The work undertaken by the Committee so far in the municipal year has been analysed; the results have been collated and are set out at **Appendix A**.

- 3.2 The Committee has undertaken at least one piece of work in each of the Council's directorates, whether in the form of receiving a report or Portfolio Holder update at a committee meeting or commissioning an Evidence Panel/Task and Finish Group.

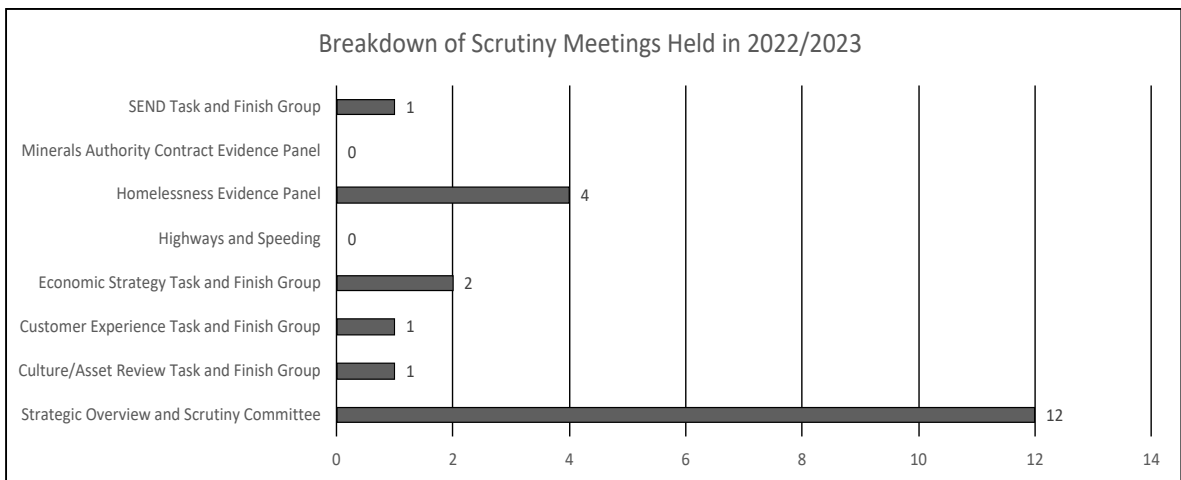
- 3.3 Scrutiny has also undertaken pieces of work outside of formal Committee meetings and these are detailed in full at **Appendix B** but summarised below:

Name	Membership and Chair/Lead Member	Purpose	Status as of February 2023
Homelessness Evidence Panel	Councillors Burrows, Lambert, Payne,	For members to understand the legislation related to homelessness and	FINISHED Recommendation 6.2 to be amended for approval at Scrutiny

	Toseland and Waller (Chair).	who is at risk of homelessness; how RCC responds to both legislative demands and needs of residents and make recommendations for improvement.	Committee on 9 th March. All other recommendations approved by Scrutiny Committee on 9 th February 2023.
Economic Development Task and Finish Group	Led by Councillor A Brown with Councillors Ainsley, Baines, Begy and Waller.	The aim of this review was to analyse available data and experiences of other authorities to recommend focus areas to be considered in the production of an economic development strategy. This strategy needs to align with other plans so the Council can effectively deliver the communities 'Future Rutland' vision.	ONGOING Engagement continues with officers with further meetings of the group planned in the Spring of 2023.
Culture Review	Led by Councillor A Walters with Councillors Baines, Begy, Fox and Waller.	To review the Council's Cultural Offer in the context of transformation and the asset review.	CEASED The Committee: AGREED that the Culture/Asset Review Task and Finish Group should cease. AGREED that Councillor E Baines would, with support of Governance, continue to seek information from educational establishments as to how the culture offer would be of most benefit to students and how they might become more involved. AGREED that, after the elections in May 2023, the Committee should consider re-commencing the

			Culture/Asset Review Task and Finish Group with updated Terms of Reference following the outcome of the Council's transformation programme.
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3.4 In total there have been 21 meetings of the Committee or one of its informal bodies in the 2022-23 municipal year and these are set out below, of the 12 meetings of the Committee 10 were scheduled, with a meeting adjourned and rescheduled, and a further Special meeting called.



It should be noted that the number of meetings held in 2020/21 was impacted by the COVID-19 Pandemic.

3.5 As detailed in Appendix B there were further suggestions for pieces of work, such as a working group on the Customer Experience, and the opportunity to shadow and input into a peer review of SEND. However, these pieces of work did not progress due to a lack of Member engagement.

3.6 Other suggestions originally made for a Group or Panel were subsequently revised through the scoping process and instead came forward as reports or updates directly to the Committee.

3.7 The work undertaken by Scrutiny over the course of the municipal year is set out below, by directorate.

Number of Items Covered by Scrutiny for 2022/2023 Per Directorate



The full details of each individual item considered by the Committee, or its groups can be found in Appendices A and B.

- 3.8 The Committee has also appointed two Members to attend meetings of the Leicester, Leicestershire and Rutland Joint Health Scrutiny Committee which has met 3 times in the 2022-23 municipal year and has reviewed health matters affecting Rutland. Full details of these meetings can be found on Leicester City Council's website:
<https://cabinet.leicester.gov.uk/mgCommitteeDetails.aspx?ID=420>
- 3.9 Analysis shows that meetings of the Strategic Overview and Scrutiny Committee have continued to feature updates or reports for noting, leading to a continued lack of formal recommendations coming forward to Cabinet or Council.
- 3.10 However, there has also been an increase in scrutiny work that may not necessarily result in formal recommendations, such as the work of the Economic Strategy Task and Finish Group, or actions arising from the regular Portfolio Holder updates.
- 3.11 In future officers at all levels can also assist the Committee to put forward more formal recommendations where appropriate.

4 RESPONSIBILITIES OF THE STRATEGIC OVERVIEW AND SCRUTINY COMMITTEE

- 4.1 The responsibilities of the Committee are primarily set out in Article 6 and Procedure Rules 133 to 171 of the Constitution.
- 4.2 Some of the key responsibilities of the Committee are set out below, with analysis on whether these have been met:

Responsibility	Finding
Review and/or scrutinise decisions made, or actions taken in connection with the discharge of any of the Council's functions.	A number of updates on various Council areas have been received by the Committee.
Review, develop or propose policies in connection with the discharge of any of the Council's functions.	The only agreed direct recommendations concerning Council policy have come from the Homelessness Evidence Panel and on

	Waste management early in the municipal year.
Conduct research, community and other consultation in the analysis of policy issues and possible options.	Wider community consultation has not taken place with regard to the work of the Committee and its groups, although the opportunity to do was available with several groups that did not proceed The Committee and its groups have not undertaken community or other consultation in this year. Several proposed groups that did not proceed may have involved community consultation.
Consider and implement mechanisms to encourage and enhance community participation in the development of policy options.	As above this has not taken place.
Question members of the Cabinet and/or Committees and senior officers about their views on issues and proposals affecting Rutland.	All members of the Cabinet have attended and taken questions from the Committee on at least one occasion.
Liaise, review and scrutinise the performance of other public bodies in the area and invite reports from them by requesting them to address the Scrutiny Committee and local people about their activities and performance; and	This has been undertaken with regard to dentistry and certain services via the Homelessness Evidence Panel only.
Review and scrutinise the performance of the Council in relation to its policy objectives, performance targets and/or particular service areas;	The Committee has received a performance report but only one recommendation regarding collection of one indicator was suggested.

4.3 The Committee is also the Council's designated crime and disorder committee under Section 19 of the Police and Justice Act 2006 and is responsible for local authority scrutiny of health matters under the National Health Service Act 2006.

5 ENGAGEMENT WITH THE CABINET

5.1 Each of the six Cabinet Members attended Scrutiny on more than one occasion throughout the year, either to provide a general update and take questions from the Committee or to present a report.

5.2 However, there does appear to be a lack of further engagement with Cabinet Members which was intended by the refresh of the function, with Cabinet Members

having felt unable to suggest items for consideration for Scrutiny, whilst respecting Scrutiny manages its own work programme.

6 TRAINING AND DEVELOPMENT OPPORTUNITIES

- 6.1 At the beginning of the municipal year, the Centre for Governance and Scrutiny was engaged to deliver a training session open to all Members. This was considered an important session to deliver given the new structure and a general gap in training provided to Members due to the impact of the COVID-19 Pandemic.
- 6.2 Those who attended positively engaged in the session, however turnout was low - with only 7 of the Members attending, of whom 3 were Members of the Strategic Overview and Scrutiny Committee.
- 6.3 Members have also had the option to attend the East Midlands Scrutiny Network, which shares best practice examples of Scrutiny and provides opportunities for networking and sharing of ideas. However, attendance from Rutland County Council has been limited to three individual Members despite meetings of the network being advertised directly to Members by the Chair and Governance and one in-person meeting of the Network being hosted at Catmose.
- 6.4 It is recommended that attendance at Scrutiny-related training be mandated for all Members as part of Member Induction, with such training to include areas such as questioning skills, prioritisation of workplan items.

7 IMPROVEMENT PLAN

- 7.1 As part of the report to Council in April 2022, it was agreed to develop a Rutland Scrutiny Improvement Plan setting out the ambition and expectations for the function.
- 7.2 A draft improvement plan prepared by officers was presented to the Committee on 9 June and 5 October 2022. However, the Committee chose not to progress the draft plan at these junctures.
- 7.3 Some of the suggestions in the Improvement Plan that have not been progressed include:
- Quarterly meetings with Cabinet and senior Council officers to discuss prioritisation and agreement on work that can deliver work of value to the wider authority, such as through policy development.
 - Development of targeted Scrutiny Member training based on skills audit.
 - Better community engagement at all stages of the scrutiny process.
- 7.4 It is recommended that the Committee take ownership of a new Improvement Plan early in the 2023-24 municipal year.

8 MEMBER SURVEY

- 8.1 A survey on the Strategic Overview and Scrutiny Committee, ran from 21 January to 3 February. The full results of the survey can be found at Appendix C. The survey was open to all Members with some different questions posed, dependent upon the

participant's role in relation to the Committee (Committee Member / Cabinet Member / Neither)

8.2 15 Members responded to the survey. These are some of the key points arising from Members' responses:

- Two respondents felt the Committee had been able to drive improvements in public services, with four thinking the Committee has amplified the voices and concerns of the public, which corresponds with a later question on effectiveness of engagement with stakeholders and the public, to which no Member responded, 'Very effective.'
- One Member felt the Committee had not been effective at scrutinising all Council services, which matches the breakdown of meeting items undertaken by officers which showed an imbalance in the number of items per directorate.
- Several Members identified the need for more recommendations to be progressed to Cabinet or Council. This might be linked to later answers suggesting recommendations needed to be followed more.
- Members also remarked on the number of agenda items coming before the Committee and a corresponding lack of focus or prioritisation.

8.3 Approximately six Members referenced desired changes to the Committee structure, although they did not specify how this would address other areas of concern.

8.4 The survey also highlighted where communication or engagement need addressing, for example:

- When asked whether the Committee and its Task and Finish Groups/Evidence Panel had been effective at engaging with external partners and the wider public, no members answered 'Very', 6 answered 'Somewhat' and 4 replied 'Not at all.'
- One Member stated that as far as they were aware, "there has been no formal sub-committee, task or finish groups, or evidence panels instigated". In fact though, 3 such groups have progressed with a number of other proposals coming forward, all of which have been the subject of all-Member communications inviting Members to participate. Information on the number of groups has been included on all agendas for the Committee, which are circulated to Members as a matter of routine.

9 CONSTITUTION COMMISSION

9.1 An informal meeting of the Constitution Commission was held on 2 March 2023, at which Members were invited to provide views of the findings of the Review.

9.2 The views of the Commission on the Overview and Scrutiny Function have informed this report and can be summarised as follows:

- It was felt that there had been a great level of disengagement from Members across many Council activities but particularly Scrutiny. This disengagement was attributed to this being the last year of the Council term prior to elections.
- There was a consensus that although the function was not working as intended by the move to a single Committee, this could be significantly attributed to the lack of engagement set out above, and the right course of action was to continue with the current structure. It was felt that the Committee should take responsibility for progressing the function in the future by developing an improvement plan and assessing its progress against this. With any subsequent changes required to the Constitution to facilitate improvements going through the usual process.
- The inability of some Task and Finish Groups to advance was attributed to the lack of Member engagement, the SEND and Customer Experience groups were cited as examples.
- Discussion focused on how Scrutiny needed to be better advertised and promoted to Members in order to bring about greater engagement.
- Although it was acknowledged some matters such as regular meetings with the Cabinet had not progressed, it was felt responsibility for this did not solely lie with Scrutiny.
- Discussions regarding the appointment of the Vice-Chair did not lead to any recommended change from current practice of appointment at the first Committee meeting of the year (See Section 12)
- The Commission also acknowledged that the Council and particularly the Governance team were working with limited resources ,that this would have an impact on the number of meetings and groups that could be supported at any one time and t the Committee should take this into consideration when setting its work programme.

9.3 Throughout discussions Members also cited the need for appropriate training for all Members in and out of Scrutiny as part of Member induction, mandating of Scrutiny training for all Members has therefore been recommended as part of this report.

10 OFFICER QUESTIONNAIRE AND VIEWS

10.1 Alongside the survey of Members, a separate survey was undertaken and open to all members of the Corporate Leadership Team, any officer or external stakeholder who has reported to or otherwise assisted the Overview and Scrutiny function this municipal year. Several responses were received from officers.

10.2 Officers were of the view that the current structure was the right one for the Council, particularly given the flexibility it allowed to examine different topics at the most appropriate level.

10.3 The new function had enabled some positive pieces of work, such as the Economic Strategy Task and Finish Group, and that group's professional approach to its dealings officers and external consultants was highlighted, as wells as the group's engagement with officers throughout all stages of the process and the willingness to align the group's meetings to best coordinate with existing work.

10.4 There were also positive comments on the approach to some scoping work where Members worked with officers at an early stage of the relevant policy process to

identify and agree the most appropriate way for the Scrutiny function to be involved.

- 10.5 Many of the other views echoed Members' survey responses, including a view that the Committee has taken its lead from the Forward Plan, that there has been an imbalance in the Committee's work regarding directorates and that a limited number of reviews have progressed beyond the scoping stage.
- 10.6 It was also remarked that the Committee has lacked the focus and prioritisation necessary in agenda-setting to ensure topics are picked for scrutiny consideration in a way that can maximise the benefits of the function.
- 10.7 Some respondents identified a lack of engagement on the part of both the Committee and the wider non-executive membership on certain topics, which has hampered Scrutiny's ability to have a positive impact on the proposed areas of Scrutiny.
- 10.8 Officers also raised concerns regarding the culture of Scrutiny, with several referring to Scrutiny appearing to operate like a Shadow Cabinet.
- 10.9 References were also made to participants feeling there was an overly adversarial nature to some meetings with examples of a lack of respect for officer professionalism and both officers and Portfolio Holders being subjected to unproductive questioning without a clear objective.
- 10.10 Other comments relating to the timing and location of meetings have been noted, for example difficulties caused by evening meetings in person for those with other commitments.
- 10.11 Some respondents expressed the view that there will be an opportunity to implement improvements after the elections in May 2023 – and that, for example, concerns may be addressed by providing mandatory training to all Members on the role of Scrutiny and the skills required by those involved in Scrutiny; and by implementing an improvement plan incorporating areas including workplan prioritisation and promoting a positive working relationship between Scrutiny, Cabinet, the wider Membership and Officers.

11 SIZE OF THE COMMITTEE

- 11.1 Several Members and Officers commented in their survey responses that the size of the current Committee (9 elected Members and 4 statutory co-opted Members) was not necessary given the ability of non-Committee Members to participate in the work of the Committee.
- 11.2 It is therefore recommended that the Committee be reduced to 7 Members (retaining the 4 statutory co-opted Members) with effect from Annual Council in May 2023.

12 APPOINTMENT OF THE VICE-CHAIR

- 12.1 At its meeting on 21 November 2022, the Constitution Commission asked that the review into the Strategic Overview and Scrutiny Committee should consider the method for appointment of the Vice-Chair – whether the Vice Chair should continue to be appointed by the Committee itself at its first meeting of the municipal year in common with all other Committees of the Council, or whether the Vice Chair should be appointed by Annual Council alongside the Chair.

- 12.2 A question on the matter was included in the survey of Members and of the 9 Members who had a view on the matter, 7 stated they were in favour of the Vice-Chair continuing to be appointed by the Committee, with 2 in favour of moving to appointment by Annual Council.
- 12.3 The view of Officers and the Constitution Commission is that there is no justification for treating the appointment of Vice-Chair of the Strategic Overview and Scrutiny Committee any differently from that of other committees.

13 FINANCIAL IMPLICATIONS

- 13.1 Under the Council's adopted Member Allowance Scheme the Chair of the Council's Scrutiny Committee receives a Special Responsibility Allowance, currently set at 1.5 x Basic Allowance which equates to £7,416.
- 13.2 Costs of external training, such as that from the Centre for Governance and Scrutiny, has been met from within existing Member Training budgets but the value for money of this training has been hampered by attendance levels.
- 13.3 Some training and development opportunities such as those from the Local Government Association and the East Midlands Scrutiny Network are free to attend.
- 13.4 The Council and particularly the Governance team are working within limited resources and as acknowledged by the Constitution Commission this has an impact on the number of meetings and groups that could be supported at any one time. The Committee should take this into consideration when prioritising its work programme.

14 LEGAL AND GOVERNANCE CONSIDERATIONS

- 14.1 All local authorities operating a Leader-and-Cabinet model of executive arrangement are required by the Local Government Act 2000 to appoint at least one Overview and Scrutiny Committee although the number of committees and their remit and responsibilities are for individual Councils to determine.
- 14.2 Statutory guidance relating to Overview and Scrutiny was published by the-then Ministry of Housing, Communities and Local Government (now the Department for Levelling-Up, Housing and Communities) and sets out expectations for local authorities to have a strong organisational culture supporting scrutiny, appoint appropriate Members and engage in effective work-planning.
- 14.3 The primary sections of the Council's Constitution relating to Overview and Scrutiny are:
- Article 6 – Overview and Scrutiny
 - Procedure Rules 133 – 171

15 DATA PROTECTION IMPLICATIONS

- 15.1 A Data Protection Impact Assessments (DPIA) has not been completed because no personal data has been r[processed in the preparation of this report.

16 EQUALITY IMPACT ASSESSMENT

- 16.1 An Equality Impact Assessment (EqIA) has not been completed because no changes to policy or services are being proposed.

17 COMMUNITY SAFETY IMPLICATIONS

- 17.1 No direct community safety implications have been identified. However, the Strategic Overview the Council's designated crime and disorder committee under Section 19 of the Police and Justice Act 2006 with responsibility to review or scrutinise decisions made in connection with the discharge by responsible authorities of their crime and disorder functions

18 HEALTH AND WELLBEING IMPLICATIONS

- 18.1 No direct health and wellbeing implications have been identified.

19 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 19.1 The report has been written in accordance with the resolution of Council in April 2022 following consultation with relevant stakeholders.
- 19.2 Although there have been concerns raised by members and officers over the effectiveness of the Strategic Overview and Scrutiny Committee, the recommendations put forward in this report provide an opportunity for the Committee to address these in full in the next municipal year.
- 19.3 The rationale for the individual recommendations are set out in the relevant sections of the report.

20 BACKGROUND PAPERS

- 20.1 Statutory Guidance on Overview and Scrutiny published by central government on 7 May 2019: <https://www.gov.uk/government/publications/overview-and-scrutiny-statutory-guidance-for-councils-and-combined-authorities>
- 20.2 Report No. 74/2022 – Review of Overview and Scrutiny Arrangements - Considered by Council on 11 April 2022.
- 20.3 Agendas and minutes of the Strategic Overview and Scrutiny Committee: <https://rutlandcounty.moderngov.co.uk/mgCommitteeDetails.aspx?ID=429>
- 20.4 Agendas and minutes of the Leicester, Leicestershire and Rutland Joint Health Scrutiny Committee (Hosted by Leicester City Council): <https://cabinet.leicester.gov.uk/mgCommitteeDetails.aspx?ID=420>

21 APPENDICES

- 21.1 Appendix A – Scrutiny Meetings 2022-23
- 21.2 Appendix B - Groups and Panel Summary
- 21.3 Appendix C - Member Survey and Responses

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STRATEGIC OVERVIEW AND SCRUTINY COMMITTEE: MEETINGS SUMMARY 2022/2023

DATE	MEETING	REPORT TITLE	RECOMMENDATIONS	RESOLVED	DIRECTORATE
09/06/22	Strategic Overview & Scrutiny Committee	Election and Appointments			STATUTORY
09/06/22	Strategic Overview & Scrutiny Committee	Draft Improvement Plan			STATUTORY
09/06/22	Strategic Overview & Scrutiny Committee	Annual Work Plan			STATUTORY
09/06/22	Strategic Overview & Scrutiny Committee	RCC Guide to Strategic Overview and Scrutiny		Guide to be updated with suggestions from SOSOC	STATUTORY
07/07/22	Strategic Overview & Scrutiny Committee	Waste and Street Cleansing (Presentation)	<ol style="list-style-type: none"> 1. Reviews and comments on the re-procurement of the integrated Waste and Streetscene services (including waste and recycling collection and disposal) contract as detailed in the Pre-Procurement Business Case attached at appendix A. 2. Reviews and comments on the Municipal Waste Management and Streetscene Strategy 2022-2035 	<p>That the Committee:</p> <ol style="list-style-type: none"> a) REVIEWED and commented on the re-procurement of the integrated Waste and Streetscene services (including waste and recycling collection and disposal) contract as detailed in the Pre-Procurement Business Case. b) REVIEWED and commented on the Municipal Waste Management and Streetscene Strategy 2022-2035 c) RECOMMENDED that Cabinet ensured that the Strategic Overview and Scrutiny Committee continued to consider initial work on waste infrastructure provision in a timely manner. d) RECOMMENDED that Cabinet established a log of customer questions relating to what to put in each bin to inform RCC's waste collection web page and future notices to residents. 	PLACES
07/07/22	Strategic Overview & Scrutiny Committee	Dental Services Update	Report for review and to identify areas for scrutinising	<p>Committee members identified the following specific areas for scrutinising:</p> <ul style="list-style-type: none"> • Details of the Rutland dentists that were contracted to accept NHS patients should be distributed. • Data should be more Rutland specific. • What were the short-term solutions to the issues? • What were the long-term solution to the issues? • Joint Strategic Needs Assessment: was this a barrier for the provision of services? • What was being done to assist with the recruitment of dentists? • Was geography a barrier? • How were 'deprived areas' defined? 	ADULT SERVICES AND HEALTH
07/07/22	Strategic Overview & Scrutiny Committee	Homelessness Evidence Panel: Scope	Approve the scoping document for the Homelessness Evidence Panel	Scoping document for the Homelessness Evidence Panel approved	GROUP/PANEL - ADULT SERVICES AND HEALTH

07/07/22	Strategic Overview & Scrutiny Committee	LLR CCGs Performance Data	Report For Information Only	Report noted.	FOR INFO ONLY - ADULT SERVICES AND HEALTH
05/10/22	Strategic Overview & Scrutiny Committee	Access to NHS Dental Services within Rutland	Proposal for item to be deferred to next meeting as NHS unable to attend reconvened meeting	Committee endorsed the proposal for the report to be deferred to next meeting.	ADULT SERVICES AND HEALTH
05/10/22	Strategic Overview & Scrutiny Committee	SOSC Improvement Plan	To review/update the SOSC Improvement Plan following the Scrutiny Workshop run by the Centre for Governance and Scrutiny (CfGS) on the 21st July 2022	a) AGREED that comments regarding the Improvement Plan should be sent to Governance (governance@rutland.gov.uk). b) AGREED that the Improvement Plan should be added to the Work Plan for the December meeting.	STATUTORY
05/10/22	Strategic Overview & Scrutiny Committee	Economic Development Strategy, Devolution & Levelling Up: Scoping Document	Approve the scoping document for the Economic Development Strategy, Devolution & Levelling Up Evidence Panel	a) AGREED to proceed with the review of economic development, levelling up and devolution. b) APPROVED the scoping document for an Economic Development, Levelling Up and Devolution Evidence Panel.	GROUP/PANEL - PLACES
05/10/22	Strategic Overview & Scrutiny Committee	Scrutiny Review of Public Transport Service Proposals: a) Scoping Document b) Timescale	Approve the scoping document for the review of public transport	a) AGREED not to continue with the review of the public transport service. b) REQUESTED to review the report on the Public Bus Transport Review, following its presentation to Cabinet on the 12th January 2023 for input regarding the proposed business plans prior to a final decision being made towards the end of 2023.	GROUP/PANEL - PLACES
05/10/22	Strategic Overview & Scrutiny Committee	Culture Review: Scoping Document	Approve the scoping document for the Museum Task and Finish Group	a) AGREED to move forward in principle with the Culture/Asset Review. b) AGREED to seek the advice of the Director of Places regarding reviewing culture as a whole or breaking it down in different phases.	GROUP/PANEL - PLACES
17/11/22	Strategic Overview & Scrutiny Committee	Mid-Year Finance Update Report (Reports 156 & 157/2022)	<p>Report No. 156/2022</p> <p>1. Notes the revenue forecast at the end of August (para 3.3). 2. Notes the changes to the approved budget as per para 3.2 including budget adjustments for new Ring Fenced grants (Appendix A). 3. Notes that the Medium Term Financial Plan (MTFP) gap for 23/24 is still estimated at £2.8m but further updates will be undertaken prior to budget setting to reflect the issues detailed in 4.1. 4. Approves the budget timetable for 22/23 as per para 8.3</p> <p>Report No. 157/2022</p> <p>1. Notes the capital 2022/23 forecast as at the end of August (paragraph 3.4). 2. Notes the changes to the 2022/23 capital programme as at the end of August (paragraph 3.2). 3. Notes the 2022/23 unallocated capital funding as at the end of August (Section 4). 4. Notes that a Midlands bid for £935,355 led by Lincolnshire County Council (LCC) for c350 electric vehicle charging points was successful and that LCC</p>	a) AGREED that a review of the Council's council tax support scheme should be undertaken for the 2024/25 financial year.	RESOURCES

			as the accountable body will deliver this project working with partner organisations. 5. Request approval to close the Ketton Centre Library and Community Hub project (paragraph 3.3).		
17/11/22	Strategic Overview & Scrutiny Committee	Mid-Year Performance & Corporate Strategy Progress	1. Notes the contents of the first performance report and the progress and challenges in delivering the strategic aims within the new Corporate Strategy 2022-2027.	a) AGREED that the Strategic Director for Resources would discuss with Human Resources the collation of data from staff exit interviews.	RESOURCES
17/11/22	Strategic Overview & Scrutiny Committee	LLR CCGs Performance Data	Report For Information Only	Report noted.	FOR INFO ONLY - ADULT SERVICES AND HEALTH
08/12/22	Strategic Overview & Scrutiny Committee	Corporate Asset Review and Strategy	To discuss Report No. 183/2022 on the Corporate Asset Review and Strategy that went to Cabinet on the 15th November 2022		PLACES
08/12/22	Strategic Overview & Scrutiny Committee	Portfolio Holder Update: Public Health	To note the update briefing from the Portfolio Holder regarding Rutland's public health services	Comments and views provided	PORTFOLIO HOLDER BRIEFING - ADULT SERVICES AND HEALTH
13/12/22	Strategic Overview & Scrutiny Committee	Public Bus Transport Review	Note the presentation received from the Strategic Director of Places	Comments and views provided	PLACES
13/12/22	Strategic Overview & Scrutiny Committee	Leisure Strategy	Note the verbal update received from the Strategic Director of Places	Comments and views provided	PLACES
26/01/23	Strategic Overview & Scrutiny Committee	Treasury Management Strategy and Capital Investment Strategy 2023/24 (Report 21 & 22/2023)	The draft Treasury Management and Capital Investment Strategies were considered by Cabinet on 12 January and recommended for approval by Council on 27 February. The Committee is invited to provide comments and views on the strategies prior to their consideration by Council.	Comments and views provided	RESOURCES
26/01/23	Strategic Overview & Scrutiny Committee	Draft Revenue and Capital Budget 2023/24	The draft Revenue and Capital Budget for 2023/24 was approved by Cabinet for a three-week public consultation on Thursday, 12 January. The Committee is invited to provide comments and views regarding the draft budget before the final budget is considered by Cabinet on 14 February and recommended for approval by Council on 27 February.	Comments and views provided	RESOURCES
26/01/23	Strategic Overview & Scrutiny Committee	Fees and Charges 2023/24	The Fees and Charges for 2023/24 are due to be considered by Cabinet at their meeting on 14 February, for recommending to Council for approval. The Committee is invited to provide comments and	Comments and views provided	RESOURCES

			views on the report prior to its consideration by Cabinet		
09/02/23	Strategic Overview & Scrutiny Committee	Portfolio Holder Update: Access to GP Services: Review of Actions	Update briefing for noting	Comments and views provided	PORTFOLIO HOLDER BRIEFING - ADULT SERVICES AND HEALTH
09/02/23	Strategic Overview & Scrutiny Committee	Culture/Asset Review Task and Finish Group	Decides the following: 1. Do we stop the T&F review pending further information and then potentially restart with revised terms of reference? 2. Does the group continue under the same terms of reference but in the knowledge that circumstances have changed? 3. Regardless of the above should the delegated member (Cllr Baines) continue to seek advice from educational establishments as to how the culture offer can be of most benefit to students, and how they might become more involved?	That the Committee: a) AGREED that the Culture/Asset Review Task and Finish Group should cease. b) AGREED that Councillor E Baines would, with the support of Governance, continue to seek information from educational establishments as to how the culture offer would be of most benefit to students and how they might become more involved. c) AGREED that, after the elections in May 2023, the Strategic Overview and Scrutiny Committee should consider re-commencing the Culture/Asset Review Task and Finish Group with updated Terms of Reference following the outcome of the Council's transformation programme.	GROUP/PANEL - PLACES
09/02/23	Strategic Overview & Scrutiny Committee	Customer Experience Task and Finish Group	Proposal that the Group should be: 1. Postponed until after the Council's transformation programme. 2. Re-considered by the Strategic Overview and Scrutiny Committee for re-commencing with updated Terms of Reference following the elections in May 2023.	That the Committee: a) AGREED that the Customer Experience Task and Finish Group should cease. b) AGREED that, after the elections in May 2023, the Strategic Overview and Scrutiny Committee should consider re-commencing the Customer Experience Task and Finish Group with updated Terms of Reference following the outcome of the Council's transformation programme.	GROUP/PANEL - PLACES
09/02/23	Strategic Overview & Scrutiny Committee	Minerals Authority Contract Evidence Panel: Scope	To discuss/approve the scoping document for the creation of the Minerals Authority Evidence Panel.	Following a discussion with the Strategic Director of Places, it had been agreed that a working group would not be the best way forward but that an update report would be more appropriate.	GROUP/PANEL - PLACES
09/02/23	Strategic Overview & Scrutiny Committee	Homelessness Evidence Panel: Report	Approves the recommendations identified by the Homelessness Evidence Panel.	That the Committee: a) ACCEPTED the report of the Homeless Evidence Panel. b) AGREED that recommendation 6.2 of the report would be re-worded and submitted to the Strategic Overview and Scrutiny Committee on the 9th March 2023 for discussion/approval. c) APPROVED the remaining recommendations (6.1, 6.3,6.4, 6.5, 6.6, 6.7, 6.8)	GROUP/PANEL - ADULT SERVICES AND HEALTH
23/03/23	Strategic Overview & Scrutiny Committee	LLR CCGs Performance Data	Report For Information Only	Report noted.	FOR INFO ONLY - ADULT SERVICES AND HEALTH

23/03/23	Strategic Overview & Scrutiny Committee	Portfolio Holder Update: Visions Children Centre, Childcare Sufficiency Statement & Child Care Review	To note the update briefing from the Portfolio Holder	Comments and views provided	PORTFOLIO HOLDER BRIEFING - CHILDREN AND FAMILIES
23/03/23	Strategic Overview & Scrutiny Committee	Levelling Up Fund Round 2 - Acceptance of Grant Funding	<p>Notes that a report will be presented to Council on 27 March 2023 with these proposed draft recommendations:</p> <p>A) Approves the Memorandum of Understanding for the Rutland and Melton 'Rural Innovation in Place' Levelling Up Funding (LUF) grant from the Department of Levelling Up, Housing and Communities and delegates authority to the Chief Executive and Director of Resources in consultation with the Portfolio Holder for Policy, Strategy, Partnerships and Economy and Portfolio Holder for Resources to sign the agreement on behalf of Rutland County Council.</p> <p>B) Approves that Rutland County Council acts as the grant administrator (Accountable Body) for the Levelling Up Fund capital grant and delegates authority to the Director of Resources (s151 Officer) to manage the Accountable Body function.</p> <p>C) Delegates authority to the Chief Executive and Director of Places in consultation with the Portfolio Holder for Policy, Strategy, Partnerships and Economy to finalise and enter into a grant agreement between Rutland County Council (as Accountable Body) and Melton Borough Council (as grant recipient) to apportion responsibility for delivering the requirements of the Levelling Up Fund Memorandum of Understanding.</p> <p>D) Approves the use of Developer Contributions to provide £1.2 million match funding to contribute to the Rutland element of the Levelling Up Fund proposition as identified in the indicative allocations previously agreed by Cabinet.</p> <p>E) Delegates to the Director of Resources (Section 151 Officer) and Director of Places the administration and implementation (including project delivery) of the Levelling Up Fund grant requirements and monitoring returns.</p> <p>2. Advises of any additional issues or areas of concerns that Council may need to consider in making an informed decision about the acceptance of the Levelling Up Fund capital grant and Rutland County Council acting as Accountable Body.</p>	<p>That the Committee NOTED that a report would be presented to Council on the 27th March with the proposed draft recommendations:</p> <p>A) Approves the Memorandum of Understanding for the Rutland and Melton 'Rural Innovation in Place' Levelling Up Funding (LUF) grant from the Department of Levelling Up, Housing and Communities and delegates authority to the Chief Executive and Director of Resources in consultation with the Portfolio Holder for Policy, Strategy, Partnerships and Economy and Portfolio Holder for Resources to sign the agreement on behalf of Rutland County Council.</p> <p>B) Approves that Rutland County Council acts as the grant administrator (Accountable Body) for the Levelling Up Fund capital grant and delegates authority to the Director of Resources (s151 Officer) to manage the Accountable Body function.</p> <p>C) Delegates authority to the Chief Executive and Director of Places in consultation with the Portfolio Holder for Policy, Strategy, Partnerships and Economy to finalise and enter into a grant agreement between Rutland County Council (as Accountable Body) and Melton Borough Council (as grant recipient) to apportion responsibility for delivering the requirements of the Levelling Up Fund Memorandum of Understanding.</p> <p>D) Approves the use of Developer Contributions to provide £1.2 million match funding to contribute to the Rutland element of the Levelling Up Fund proposition as identified in the indicative allocations previously agreed by Cabinet.</p> <p>E) Delegates to the Director of Resources (Section 151 Officer) and Director of Places the administration and implementation (including project delivery) of the Levelling Up Fund grant requirements and monitoring returns.</p> <p>2. ADVISED of any additional issues or areas of concerns that Council may need to consider in making an informed decision about the acceptance of the Levelling Up Fund capital grant and Rutland County Council acting as Accountable Body.</p>	PLACES

23/03/23	Strategic Overview & Scrutiny Committee	Homelessness Evidence Panel: Recommendation 6.2	Approves the reworded recommendation 6.2 in the report from the Homelessness Evidence Panel	That the Committee: A) APPROVED the reworded recommendation 6.2 in the report from the Homelessness Evidence Panel	GROUP/PANEL - ADULT SERVICES AND HEALTH
20/04/23	Strategic Overview & Scrutiny Committee	CQC Inspection Framework	Verbal update from Strategic Director of Adult Services and Health. For Information Only		ADULT SERVICES AND HEALTH
20/04/23	Strategic Overview & Scrutiny Committee	Minerals Authority Contract: Update Report			GROUP/PANEL - PLACES
20/04/23	Strategic Overview & Scrutiny Committee	MiCARE CQC Inspection: Outcome			ADULT SERVICES AND HEALTH

STRATEGIC OVERVIEW AND SCRUTINY COMMITTEE: GROUPS/PANELS SUMMARY 2022/2023

Name	Membership and Chair/Lead Member	Purpose	Recommendations	Status as of February 2023
Homelessness Evidence Panel	Led by Councillor Waller with Councillors Burrows, Lambert, Payne and Toseland.	<ul style="list-style-type: none"> For members of the Council to get a better understanding of the legislation related to homelessness; how RCC responds to both legislative demands and needs of residents and make recommendations for improvement. For members of the Council to better understand who in Rutland is at risk of homelessness and to explore ways which might reduce such risk. 	<p>6.1 That the Leader of the Council designates one 'Portfolio Holder' to take the lead on housing and for that person to actively engage with his/her colleagues, as appropriate, on housing matters.</p> <p>6.2 That Cabinet (or the Portfolio Holder should one be appointed) monitors the placement of victims of domestic violence on a regular basis to ensure they are safe and their needs are met. [This is met through Children's Social Care who manage the Domestic Violence contract.]</p> <p>6.3 That RCC explores with its registered social landlords the possibility of increasing the number of homes in Rutland available for temporary accommodation.</p> <p>6.4 That Cabinet, as part of the Council's Asset Review, explores the options for developing new temporary accommodation in Rutland to house those who have been made homeless.</p> <p>6.5 That RCC reconsiders the development of a 'Choice Based Lettings Policy', using learning from</p>	<p>FINISHED</p> <p>Recommendation 6.2 to be amended for approval at Scrutiny Committee on 23rd March. All other recommendations approved by Scrutiny Committee on 9th February 2023.</p>

Name	Membership and Chair/Lead Member	Purpose	Recommendations	Status as of February 2023
			<p>other councils' policies and in consultation with registered social landlords, to better meet current needs.</p> <p>6.6 That the Housing Allocations Policy be reviewed so that it is transparent and easy for applicants to use, with a user-friendly 'Customer Guide' and that it takes into consideration aspects highlighted in this report e.g. 'Means Testing' and the needs of the over 60's in the context of an increasing elderly population in Rutland and the type of accommodation they could be considered for.</p> <p>6.7 That Cabinet review the contract with Peterborough City Council for the provision of services in relation to private landlords with a view to improving data collection on the private sector in Rutland.</p> <p>6.8 That Cabinet review the 'Housing Services Review—Strategy and Operations Group' ensuring that it, or any successor group, has clear terms of reference and appropriate membership.</p>	
Minerals Authority	Led by Councillor Begy with	<ul style="list-style-type: none"> With the growing level of quarrying activity within Rutland it is important 	Following a discussion with the Strategic Director of Places, it had	CEASED Update report

Name	Membership and Chair/Lead Member	Purpose	Recommendations	Status as of February 2023
Contract Evidence Panel	Councillor G Brown.	<p>that these operations are carefully monitored and within the terms of the contract.</p> <ul style="list-style-type: none"> Understand any current or future constraints to the contract and its operation such as specialist staffing. 	been agreed that a working group would not be the best way forward but that an update report would be more appropriate.	from the Strategic Director of Places to be presented to Scrutiny Committee: 20th April 2023
Economic Development Task and Finish Group	Led by Councillor A Brown with Councillors Ainsley, Baines, Begy and Waller.	<ul style="list-style-type: none"> The aim of this review is to analyse available data and experiences of other authorities to recommend key focus areas to be considered in the production of an economic development strategy. This strategy needs to align with other plans within Rutland such as the Local Plan, Local Transport Plan and Health and Wellbeing Strategy so we can effectively deliver the communities 'Future Rutland' vision we have endorsed as a council. 	Engagement continues with officers with further meetings of the group planned in the Spring of 2023.	ONGOING
Culture/Asset Review Task and Finish Group	Led by Councillor A Walters with Councillors Baines, Begy, Fox and Waller.	<p>On the 5th October 2022, Scrutiny Committee:</p> <ol style="list-style-type: none"> AGREED to move forward in principle with the Culture/Asset Review. AGREED to seek the advice of the Director of Places regarding reviewing culture as a whole or breaking it down in different phases. 	<p>On the 9th February 2023, Scrutiny Committee:</p> <ol style="list-style-type: none"> AGREED that the Culture/Asset Review Task and Finish Group should cease. AGREED that Councillor E Baines would, with the support of Governance, continue to seek information from educational establishments as to how the culture offer would be of most benefit to students and how they might become more involved. AGREED that, after the elections 	CEASED

Name	Membership and Chair/Lead Member	Purpose	Recommendations	Status as of February 2023
			in May 2023, the Strategic Overview and Scrutiny Committee on the 15th June 2023 should consider re-commencing the Culture/Asset Review Task and Finish Group with updated Terms of Reference following the outcome of the Council's transformation programme.	
Customer Experience Task and Finish Group	Led by Councillor Begy with Councillor K Bool		On the 9th February 2023, Scrutiny Committee: a) AGREED that the Customer Experience Task and Finish Group should cease. b) AGREED that, after the elections in May 2023, the Strategic Overview and Scrutiny Committee should on the 15th June 2023 consider re-commencing the Customer Experience Task and Finish Group with updated Terms of Reference following the outcome of the Council's transformation programme.	CEASED
Highways and Speeding Group	Led by Councillor P Browne with Councillor Bool	<ul style="list-style-type: none"> Scoping document to be produced and work to be carried out in conjunction with Parish Councils. 	On the 23 rd March, Scrutiny Committee: a) AGREED that the Highways and Speeding Group should cease. b) AGREED that, after the elections	CEASED (tbc)

Name	Membership and Chair/Lead Member	Purpose	Recommendations	Status as of February 2023
			in May 2023, the Strategic Overview and Scrutiny Committee should on the 15th June 2023 consider re-commencing the Highways and Speeding Group.	
Public Transport Group	None identified	<ul style="list-style-type: none"> To provide evidence based advice to Cabinet and Council to help shape the future commissioning of bus services within Rutland. 	<p>On the 5th October 2022, Scrutiny Committee:</p> <p>a) AGREED not to continue with the review of the public transport service.</p> <p>b) REQUESTED to review the report on the Public Bus Transport Review, following its presentation to Cabinet on the 12th January 2023 for input regarding the proposed business plans prior to a final decision being made towards the end of 2023.</p>	CEASED (As Group/Panel – update was instead provided directly to the Committee)
SEND Group	Led by Councillor Ainsley with Councillors Baines, Begy, P Browne, Payne and Webb.	<p>Meeting held on the 15th July 2022:</p> <ul style="list-style-type: none"> SEND Group to decide if they would like to be involved in the SEND Peer Review or wait until 2023 when the new SEND guidance had been finalised and implemented. 	<p>On the 5th October 2022, Scrutiny Committee:</p> <p>a) RECOMMENDED better communication and engagement between Strategic Director of Children and Families and Councillors.</p>	CEASED

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Review of Strategic Overview and Scrutiny Committee - Member Survey and Responses

15 Full responses were received to the survey which ran from 20 January to 3 February 2023.

Question 1: The Council has now operated a single Strategic Overview and Scrutiny Committee for 7 months. How effective out of 10 do you think these arrangements are to the performance of the Council and the service it provides?

Average Score: 5.27/10

Question 2: Please explain what would prompt you to score this more highly:

Better interaction with all members, and proactive leadership

More reports from scrutiny at council. And reports from the various working groups.

Return to specialised scrutiny panels

There is no scrutiny. There is not enough time to look at items coming forward on the forward plan. Papers are coming to full council that are poor and have not been through scrutiny. It has lost any teeth that the 3 panels previously had. It is worthless.

Too many topics for one committee. Most members not reading papers or taking part in the meetings.

The main Committee is being asked to cover too much work in each meeting and is therefore not addressing the issues which it faces

More recommendations to Cabinet Focussed approach- completion of tasks for T and F groups and working groups

I do not think there is as much involvement as there should be, or could be from Members not on the Committee. I have also found things have been coming to the Scrutiny Committee after going to Cabinet and it has caused issues.

Agendas are huge, there is little consultation with the exec, recommendations to the exec have not come forward. Im not sure what has been delivered. It needs to fulfil the objectives as defined on the previous page

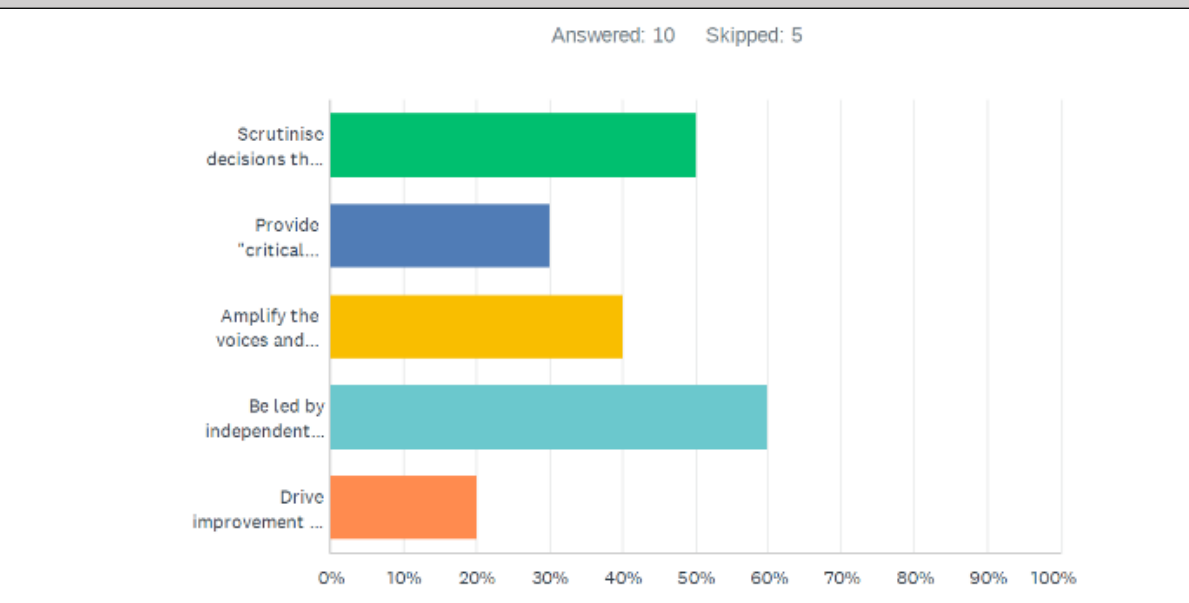
The previous separate committees had the focus and time to look at matters in the perspective their subject deserved. Now, for instance, C&YP new been discussed at all through. The current system is subject to the potential dominance of the only Chair

We are in the last year of a municipal cycle and in my experience some councillors, especially those not seeking re-election, are "winding down" and not prepared to put in the necessary work. Further, and far more significant, is the political balance at RCC. The size of the committee means the Conservative group members are not on it by choice but by necessity as there are only six of them in total, three are cabinet members leaving 2 of the remaining 3 having to sit on scrutiny as well as cover other committees. This gives RCC councillors far more committee meetings to attend than our counterparts in, say, Leicestershire or Lincolnshire. One solution would be to reduce the number of members to 7 to be

consistent with the other Council committees. Also, when we set this system up one "solution" to our 3 committee system was to have 2; one for places and one for people. Not all councillors are interested in all topics and therefore are not fully engaged all the time at the meetings. Finally, training is needed for scrutiny members; specifically on how to question effectively.

Revert to the original 3 committee system

Question 3: Which of the following functions of a Scrutiny Committee do you feel the Committee has been able to meet? Please select all that you think apply:



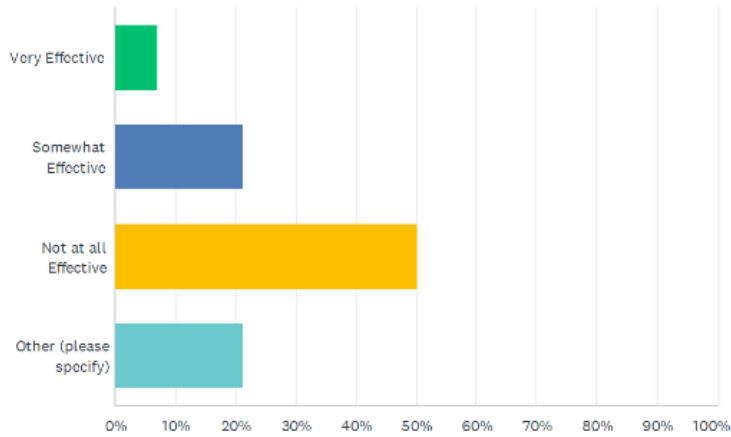
Detail: 10 Councillors Responded:

- Scrutinise decisions the Cabinet are about to or have taken - 5
- Provide "critical friend" challenge to the Cabinet - 3
- Amplify the voices and concerns of the public – 4
- Be led by independent people who take responsibility for their role – 6
- Drive improvement in public services – 2

Question 4: How effective has the single Committee been at scrutinising all areas of Council services across the Places, People and Resources

directorates?

Answered: 14 Skipped: 1



Detail: 14 Councillors Responded:

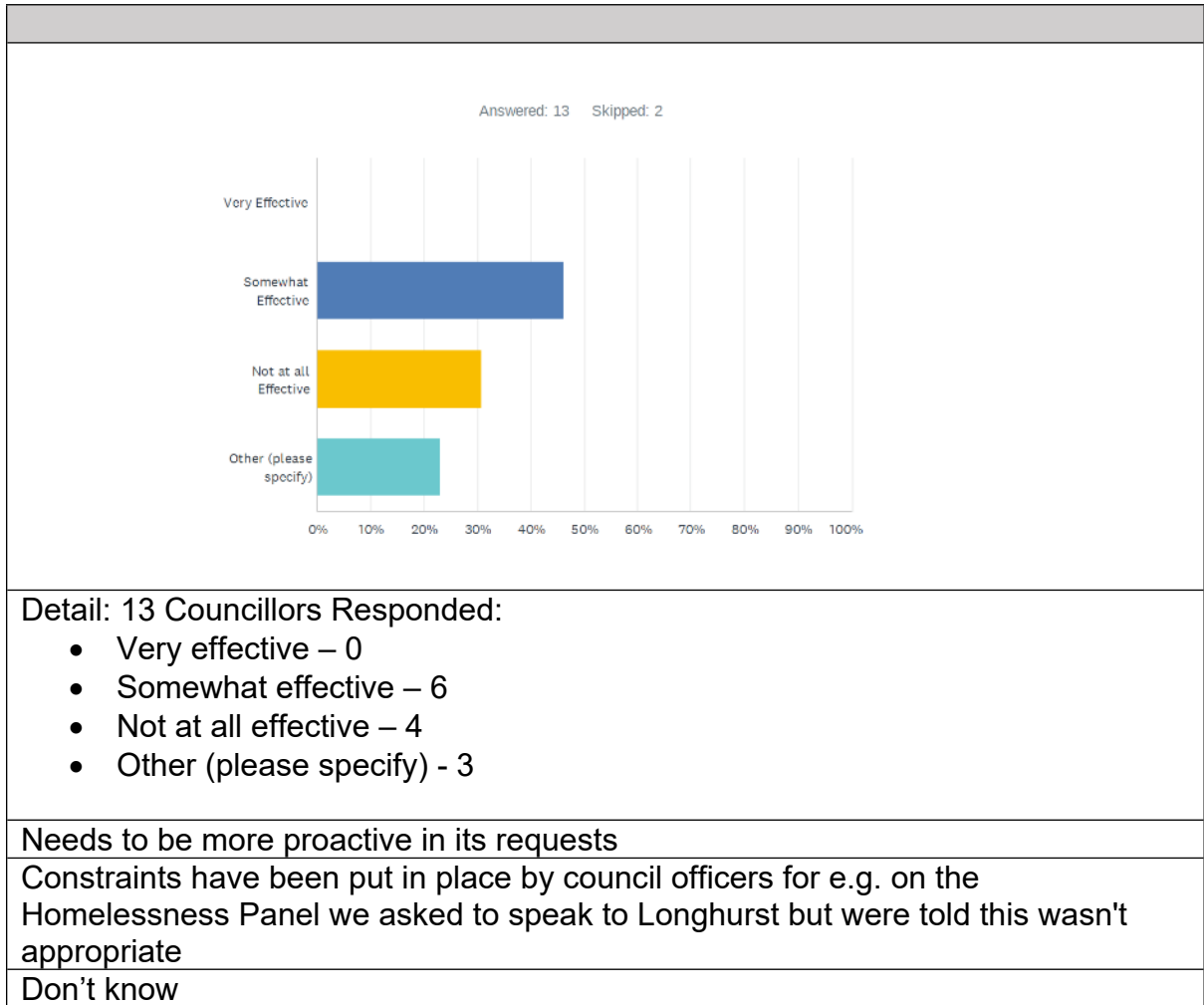
- Very effective – 1
- Somewhat effective – 3
- Not at all effective – 7
- Other (please specify) - 3

The system is great it just needs to be delivered as instructed, such as recommendations to Cabinet and using the option of additional meetings for critical issues

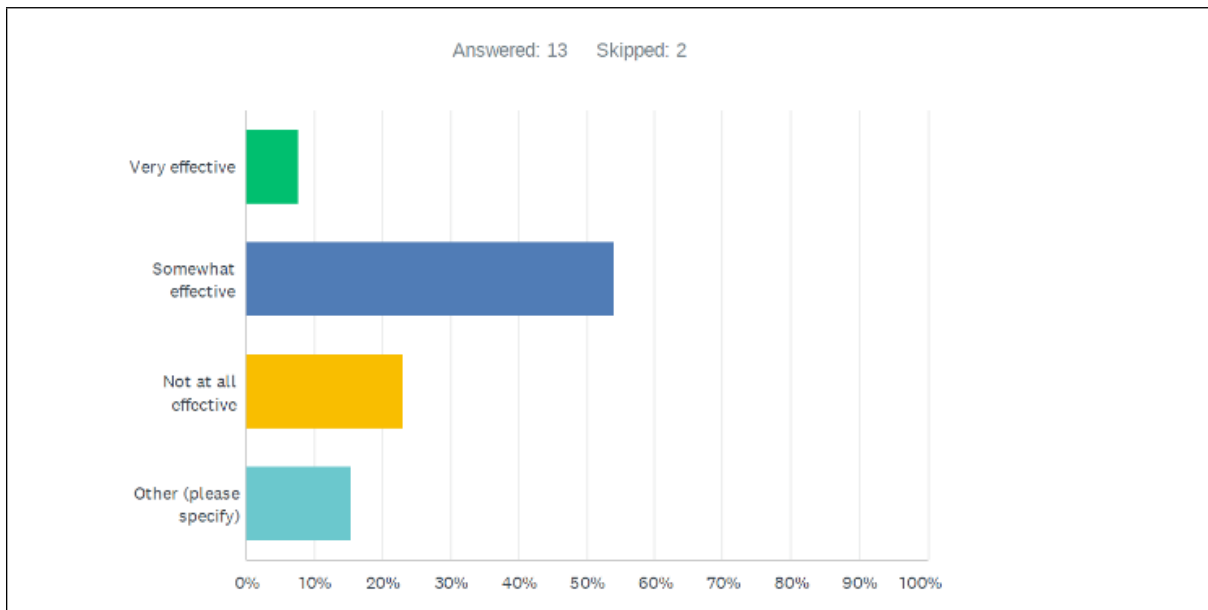
Completely pointless

Comments above apply

Question 5 - How effective has the Committee and its Task and Finish Groups/Evidence Panel been at engaging with external partners and the wider public?



Question 6: How effective has the Committee been in work-planning with a particular focus on one or two main issues at each meeting?



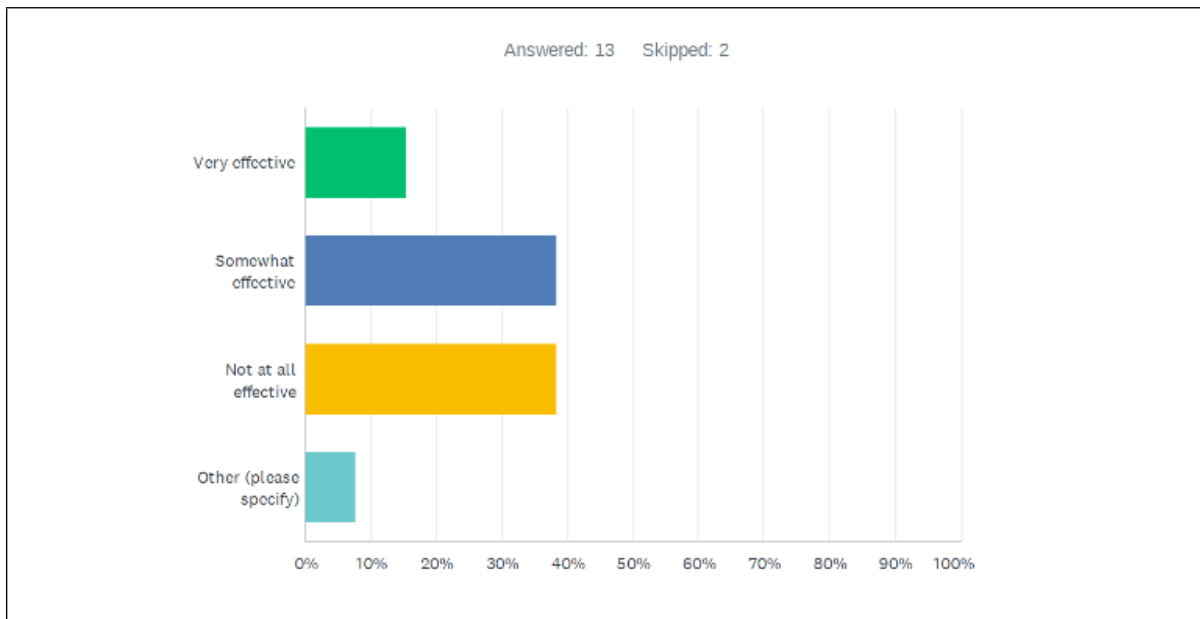
Detail: 13 Councillors Responded:

- Very effective – 1
- Somewhat effective – 7
- Not at all effective – 3
- Other (please specify) - 2

Don't know

insufficient experience of meetings

Question 7: How effective has the Committee been in aligning its work with the priorities of the Corporate Strategy?



Detail: 13 Councillors Responded:

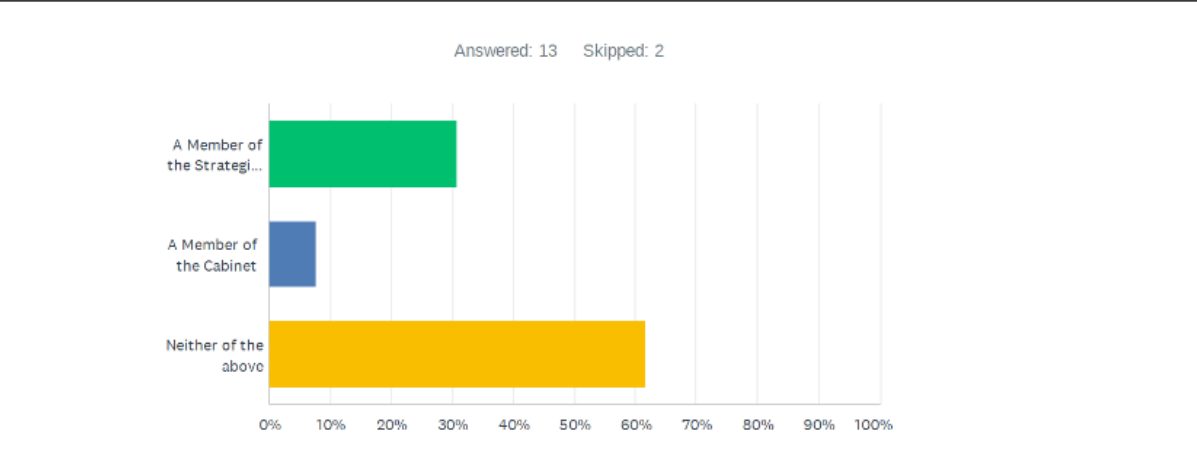
- Very effective – 2
- Somewhat effective – 5
- Not at all effective – 5
- Other (please specify) - 1

Don't know

Question 8: Taking into account your answer to question 1-7, what improvements or adjustments do you think could be made to the Strategic Overview and Scrutiny Committee?

- Careful selection of future Chairs and good Governance support
- I get the impression that some members need training especially on questioning skills
- Cabinet ought to have more obligation to follow scrutiny recommendations.
- Return to specialised panels
- Revert back to 2 or 3 committees as previously. This does not work
- We need to move back to 2 or 3 committees with members actually doing what they are paid for.
- Move to a two committee system with one covering Adults, Health and Children and the other covering Places and Resources
- Do less things but in more depth to add value- narrower scope but focus on Corporate Strategy priorities
- Abolishing the system and returning to the separate committees system that previously existed, to me, is the only answer to achieving any degree of satisfactory scrutiny, but I realise that the officials do not want to contemplate that option, hence the wording of this questionnaire. I believe there are logical reasons for their views
- More clarity from officers on what we can and cannot do and far more help from officers to the Task and Finish groups around scoping, planning and organising
- Revert to the original 3 committee system

Question 9: What is your role as a Member in relation to Scrutiny?



Detail: 13 Councillors Responded:

- A Member of the Committee – 4
- A Member of the Cabinet – 1
- Neither of the above – 8

Question for Members of the Committee only:

Question 10: As a member of the Committee, do you have any suggestions for improving the Committee?

More committees and members actually doing their role.
See comments on officers above. Have regular meeting of chair/vice chair and cabinet diarised as agenda setting meetings
Revert to the original 3 committee system

Questions for Cabinet Members only:

Question 11: If you are a Cabinet Member, have you been able to do the following?

Detail: 1 Councillor Responded:

- Proactively suggest areas of potential Scrutiny to the Committee - 0
- Informally meet with Scrutiny to discuss Scrutiny topics - 1
- Attend Committee meetings to present items - 0
- Attend Committee meetings to provide updates - 1

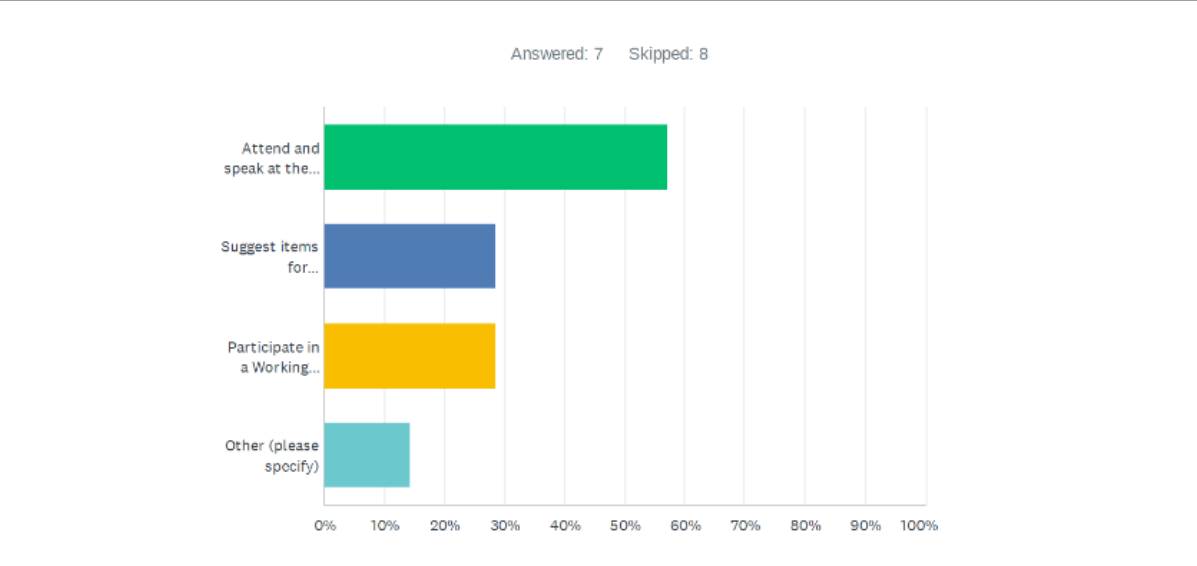
Question 12: As a Cabinet Member, how effective have you found these involvements with Scrutiny?

Not at all effective

Questions for those neither on the Committee nor Cabinet

Question 13: If you are neither a Member of the Cabinet or the Strategic

**Overview and Scrutiny Committee, have you been able to do the following?
(Please tick all that apply)**



Detail: 7 Councillors Responded:

- Attend and speak at the Committee as a non-voting participant - 4
- Suggest items for consideration - 2
- Participate in a Working Group/Task and Finish Group/Evidence Panel – 2
- Other (please specify) – 1

Not felt that it would have added value

Question 14: If you have not engaged in any of these activities, could you explain why? (Please tick all that apply)

Detail: 1 Councillor Responded:

- Lack of understanding on the methods of participation available - 1
- Lack of time (due to other Council duties) - 0
- Lack of time (due to non-Council commitments) - 0
- Lack of opportunity provided to participate - 1
- Other (please specify) – 1

No real clarity on who to contact, what information needed

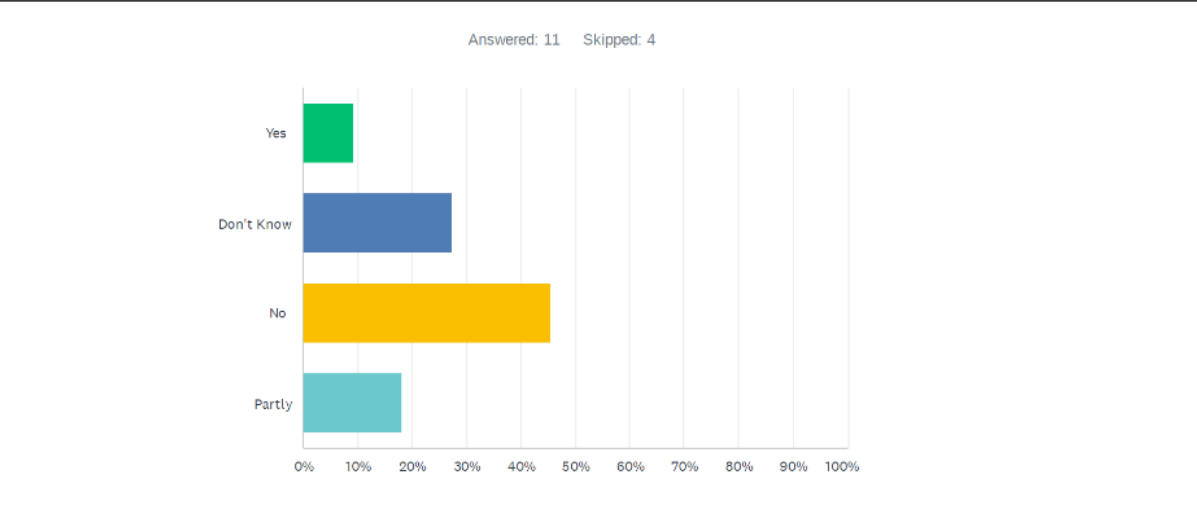
Question 15: If you have not engaged in all or some of these activities, what would make you more likely to engage with them?

A greater likelihood that recommendations might be followed
Knowing that input would be valued even if not accepted

Questions for all participants:

Question 16: Have the Committees, Task & Finish Groups and Evidence

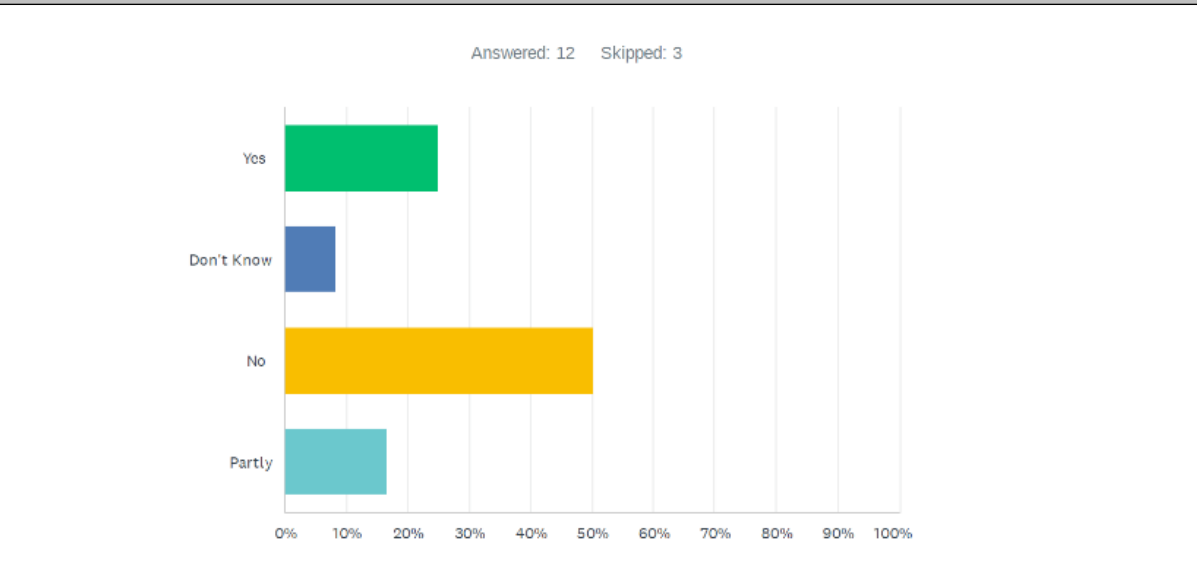
Panels made a meaningful contribution to the work of the Council?



Detail: 11 Councillors Responded:

- Yes - 1
- Don't Know - 3
- No - 5
- Partly - 2

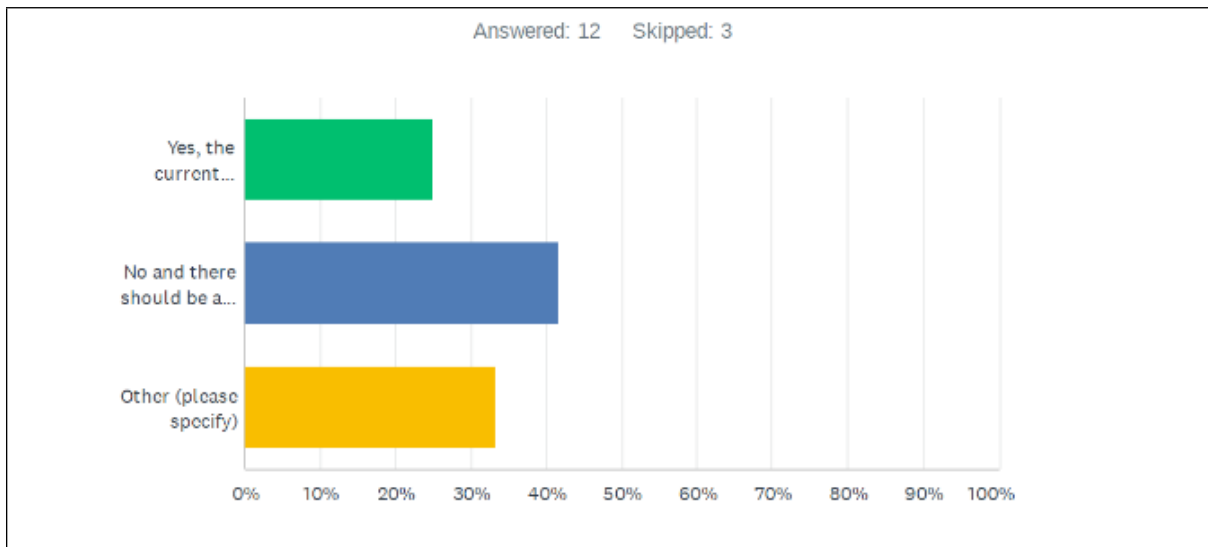
Question 17 Do you think the Strategic Overview and Scrutiny Committee is delivering value for money for residents and making a meaningful contribution to the work of the Council?



Detail: 12 Councillors Responded:

- Yes - 3
- Don't Know - 1
- No - 6
- Partly - 2

Question 18 Is the current pattern of monthly Committee meetings providing effective value for money or should there be a change?



Detail: 12 Councillors Responded:

- Yes, the current arrangements are effective 3
- No and there should be a change in the pattern of meetings 5
- Other (please specify) 4

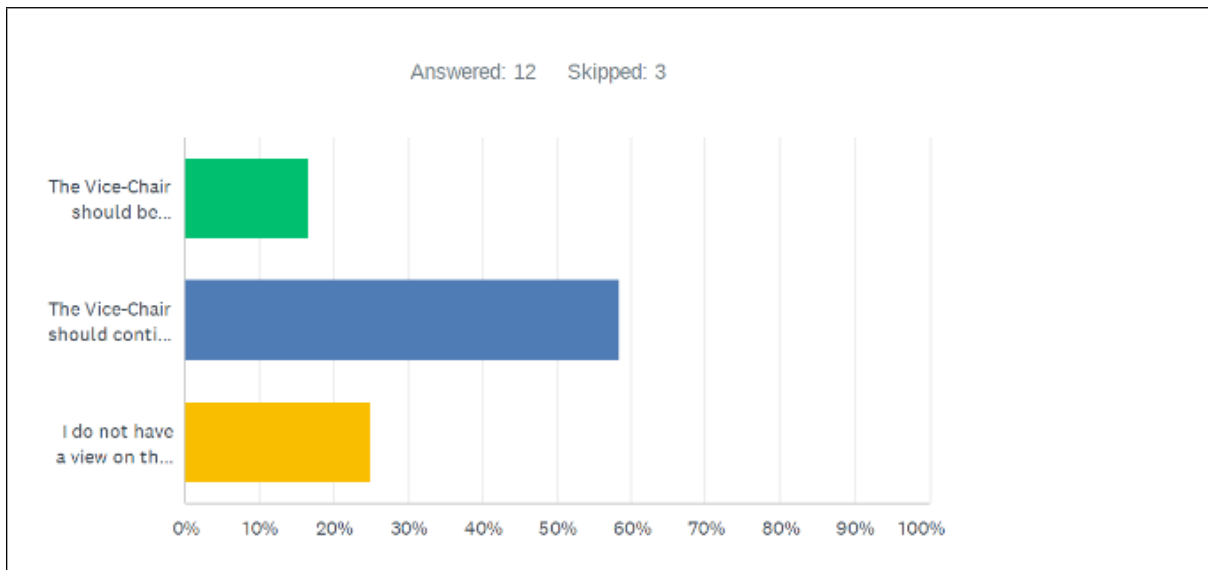
Allow the committee to have genuine decision making

Need to review- every other month may be more effective if gives T and F and working groups time to do work and report back.

revert to the preceding system and then required and detailed scrutiny would be more likely to be productive scrutiny

Without monthly meetings it is difficult to input into the cabinet agenda. This was the major problem of the previous system and in addition we have had to have an additional meeting because of an emergency item going on the forward plan

Question 19: Given the Vice-Chair's enhanced role in work-planning and agenda setting, do you feel the Vice-Chair of the Strategic Overview and Scrutiny Committee should be elected by Annual Council, rather than waiting until the first Committee Meeting?



Detail: 12 Councillors Responded:

- The Vice-Chair should be appointed by Annual Council - 2
- The Vice-Chair should continue to be appointed by the Committee itself as with other Committees - 7
- I do not have a view on the matter - 2

Question 20: Do you have any other comments or suggestions regarding the Strategic Overview and Scrutiny Committee?

I would hope that the trial will continue and better engagement between committee and non members

Relies heavily on having a good chair and vice chair

Revert back to the previous 3 committees. This does not work and is completely pointless

We need urgent change, and members have to start realising they have a role outside of taking an allowance. There needs to be more kick back for those who do nothing.

We should consider combining the work of the Employment and Appeals Committee with the Conduct Committee to maintain the same overall workload and have 2 Scrutiny Committees

I support the move to a single committee. My view was that previous scrutiny set up was not particularly effective either. So this is not about how many committees we have but how scrutiny works in practice at Rutland. Difficult to make this work in last year of an administration. Needs more time and longer term plan.

So far as I am aware, since the O&S single committee, there has been no formal sub-committee, task or finish groups, or evidence panels instigated. I am aware there was an informal culture group only.

Each member of the overview and scrutiny committee should take a lead on service areas as, for e.g. is done in Torbay. This role to mirror cabinet and to take responsibility for bringing issues for scrutiny to the attention of the committee.

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COUNCIL

27 MARCH 2023

RUTLAND AND MELTON LEVELLING UP FUND GRANT

Report of the Leader of the Council and Portfolio Holder for Policy, Strategy, Partnerships and Economy

Strategic Aim:	<p>A Special Place</p> <p>Sustainable Lives</p> <p>Healthy and Well</p> <p>A Modern and Effective Council</p>	
Exempt Information	<p>Yes</p> <p>Exempt Appendix – Memorandum of Understanding with Department of Levelling Up, Housing and Communities</p> <p>Exempt Appendix – Legal Advice on Memorandum of Understanding with Department of Levelling Up, Housing and Communities</p> <p>Exempt Appendix – Draft ‘Back to Back’ Agreement between Rutland County Council and Melton Borough Council</p>	
Cabinet Member(s) Responsible:	<p>Cllr Lucy Stephenson, Leader of the Council and Portfolio Holder for Policy, Strategy, Partnerships and Economy</p>	
Contact Officer(s):	<p>Penny Sharp, Strategic Director of Places</p>	<p>Telephone: 07973 854906 Email: psharp@rutland.gov.uk</p>
	<p>Kirsty Nutton, Strategic Director of Resources (s151)</p>	<p>Telephone: 01572 758159 Email: knutton@rutland.gov.uk</p>
	<p>Angela Wakefield, Director of Legal and Governance</p>	<p>Telephone: 01572 758450 Email: awakefield@rutland.gov.uk</p>
Ward Councillors	<p>All</p>	

DECISION RECOMMENDATIONS

That Council:

1. Approves the Memorandum of Understanding for the Rutland and Melton 'Rural Innovation in Place' Levelling Up Funding (LUF) grant from the Department of Levelling Up, Housing and Communities (DLUHC) and delegates authority to the Chief Executive and Strategic Director of Resources (section 151 Officer) in consultation with the Portfolio Holder for Policy, Strategy, Partnerships and Economy and Portfolio Holder for Finance, Governance and Performance, Change and Transformation to sign the agreement on behalf of Rutland County Council.
2. Approves that Rutland County Council acts as the grant administrator (Accountable Body) for the Levelling Up Fund capital grant and delegates authority to the Strategic Director of Resources (s151 Officer) to manage the Accountable Body function and report to DLUHC in line with its Levelling Up Funds Local Authority Assurance Framework.
3. Delegates authority to the Chief Executive and Strategic Director of Resources in consultation with the Portfolio Holder for Policy, Strategy, Partnerships and Economy and Portfolio Holder for Finance, Governance and Performance, Change and Transformation to finalise and enter into a "Back to Back" agreement between Rutland County Council (as Accountable Body) and Melton Borough Council (as grant recipient) to apportion responsibility for managing, delivering and reporting the requirements of the Levelling Up Fund Memorandum of Understanding and DLUHC Levelling Up Funds Local Authority Assurance Framework.
4. Delegates authority to the Chief Executive and Strategic Director of Resources in consultation with the Portfolio Holder for Policy, Strategy, Partnerships and Economy and Portfolio Holder for Finance, Governance and Performance, Change and Transformation to finalise updated baseline data including project costings, outputs, outcomes and project milestones and submit to DLUHC.
5. Delegates to the Strategic Director of Resources (Section 151 Officer) and Strategic Director of Places the administration and implementation (including project delivery) of the Levelling Up Fund grant requirements and reporting in accordance with the Memorandum of Understanding and DLUHC's monitoring returns DLUHC Levelling Up Funds Local Authority Assurance Framework.
6. Notes the governance structure developed in accordance line with the Corporate Project Framework and that decision-making for the LUF programme will be the responsibility of Cabinet.
7. Notes that decisions relating to the approval, procurement, and development of specific projects will be taken in accordance with the Constitution and Financial Procedure Rules.
8. Notes that a report will be brought to a future meeting of Council to consider the business case for complementary investment in health provision within the County and the use of £1.2m Developer Contributions as identified in the indicative allocations agreed by Cabinet in December 2022. Subject to approval this investment will provide £1.2 million match funding to contribute to the Rutland element of the Levelling Up Fund proposition.

1 PURPOSE OF THE REPORT

- 1.0 The purpose of this report is to seek approval for Council to approve the terms and conditions of the 'Rutland and Melton: Innovation in Place' Levelling Up Funding (LUF) grant set out in the Memorandum of Understanding with the Department of Levelling Up, Housing and Communities (DLUHC).
- 1.1 The decision to submit the Rutland and Melton LUF bid was made by Cabinet in June 2022 in line with the Constitution. Having been successful in securing the grant award it is a Council decision to accept the associated terms and conditions.
- 1.2 The Rutland and Melton LUF bid was submitted on the understanding that Rutland County Council (RCC) would act as the grant administrator (Accountable Body) for the funding and that associated costs and delivery responsibilities would be apportioned to Melton Borough Council. This report seeks approval and confirmation that RCC can act as Accountable Body.
- 1.3 The report also seeks delegated approval to finalise and enter into a 'Back to Back' agreement with Melton Borough Council to apportion responsibilities for managing delivery, finances, risk and reporting for its elements of the LUF programme.
- 1.4 The report seeks delegated authority for the administration, implementation, delivery and reporting to meet the requirements of the Memorandum of Understanding and DLUHC's Levelling Up Funds Local Authority Assurance Framework.

2 BACKGROUND AND MAIN CONSIDERATIONS

Levelling Up Fund – Round 2 Application

- 2.1 In March 2022 the Government launched Round 2 of the Levelling Up Fund (LUF). LUF is a competitive grant funding programme for capital investment in infrastructure intended to support local communities to 'level up' through regenerating town centre and high streets, upgrading local transport and investing in cultural and heritage assets.
- 2.2 Following Round 1 of LUF Rutland County Council and Melton Borough Council agreed to develop a joint LUF bid under round 2 given the similarities in the rural market town economies and the shared MP constituency. A formal indication of MP support was a requirement for LUF applications.
- 2.3 The original deadline for LUF bid submissions was 6 July 2022. This subsequently extended to 2 August 2022 due to technical issues at the Department of Levelling Up, Housing and Communities (DLUHC).
- 2.4 At its meeting on 14 June 2022, Cabinet considered the application for LUF grant funding (<https://rutlandcounty.moderngov.co.uk/ieListDocuments.aspx?CIId=133&MIId=2589>).
- 2.5 It resolved:
- “That Cabinet:
1. APPROVED the submission of a joint application by Rutland County Council and

Melton Borough Council for Round 2 of Levelling Up Funding, in line with the Councils Constitution Financial Procedure Rules.

2. Authority be DELEGATED to the Strategic Director – Places in consultation with the Leader and Portfolio Holder for Economic Development to agree with Melton Borough Council which organisation acts as nominated Lead Local Authority for the Levelling Up Funding bid. The Lead Local Authority function should be undertaken on a full cost recovery basis and a formal agreement between the two local authorities governing the working arrangements including a partnership governance structure.

3. Authority be DELEGATED to the Section 151 Officer and Strategic Director – Places in consultation with the Leader and Portfolio Holder for Economic Development and Portfolio Holder for Resources to include indicative match funding in the bid so long as it has no direct impact on the Council's Medium Term Financial Plan and subject to formal Council approval should the LUF bid prove successful.

4. NOTED that the joint application was submitted on the basis that a detailed discussion regarding funding included any ongoing financial implications would be required should the Council be successful in securing the bid. Any discussions would result in a Full Council decision to accept or reject funding offered.”

Rutland and Melton: Rural Innovation in Place LUF Bid

2.6 Rutland and Melton Councils submitted a joint bid for £22,950,690 Levelling Up Funding Round 2 capital grant to support the delivery of the 'Rural Innovation in Place – Levelling Up Proposition for Rutland and Melton from 2023 to 2026'.

2.7 In mid-January 2023 the Government announced that the Rutland and Melton LUF bid was one of 111 successful Round 2 applications and secured the full award. Only 1 in 5 of those areas that bid in Round 2 of LUF were awarded funding.

2.8 The total value of the Rutland and Melton LUF proposal was £26,185,290 reflecting additional investment the successful bid is expected to leverage. For Rutland, this included £1.2m of match funding from developer contributions (identified in the indicative allocations agreed by Cabinet in December 2022. <https://rutlandcounty.moderngov.co.uk/documents/g2611/Public%20reports%20pack%2013th-Dec-2022%2010.00%20Cabinet.pdf?T=10>).

2.9 The Rutland and Melton LUF bid was submitted on the understanding that Rutland County Council (RCC) would act as the grant administrator (Accountable Body) for the funding and that associated costs and delivery responsibilities would be apportioned to Melton Borough Council (MBC). This was determined by the transport element of the bid. As a district council Melton Borough Council has no responsibility or resource to manage transport-related initiatives.

2.10 Appendix A includes a summary of the Rutland and Melton LUF bid, 'Rural Innovation in Place: A Levelling Up Proposition for Rutland and Melton'. This includes an overview of the:

- Vision
- Issues and Opportunities
- LOGIC Model – the rationale, approach and impact anticipated from the capital investment

- Brief Summary of Specific Projects:

Rutland

- Medi-Tech Research and Development Enterprise Centre
- Digitalisation of Heritage Assets – Sea Dragon and Roman Mosaic
- Integrated Local Transport – a transport hub ('Mobi-hub') and new demand responsive transport routes connecting Oakham and Melton

Melton

- Stockyard Redevelopment – Food Enterprise
- College Campus Theatre
- Benefits and anticipated impact of investment
- Funding profile
- Milestones
- Proposed Governance Structure

2.11 LUF bids were limited to 3 projects. For the Rutland and Melton bid, the 3 investment areas were innovation and enterprise in health, transport and food/culture. LUF investment within Rutland is intended to deliver:

Medi-tech digital innovation centre – this will be a commercially operated enterprise centre focused on developing health and care technologies that can benefit residents and the wider population. Located at Rutland Memorial Hospital (RMH) site it will have the added benefit of acting as a catalyst for the further integration of health and social care and support the consolidation of a 'health and care campus' with the potential to link Oakham Medical Practice, RMH and land in Council ownership. In addition, the facility could add to the attractiveness for health and care professionals to work in Rutland and support workforce development.

Integrated transport – the LUF investment is intended to address issues with connectivity and accessibility between market towns and services, particularly health. The funding will provide a new integrated transport hub (a 'mobi-hub') for public transport, cycling and in close proximity to Oakham railway station. In addition, the funding will secure two new demand responsive transport routes between Oakham and Melton, connecting some villages not currently served by public transport.

Enhanced digital visitor experience – the investment will enable the digital interpretation of the recent internationally significant finds of the Ichthyosaur and the Roman Mosaic allowing the historic assets to be widely accessed by visitors and transforming the County's visitor offer. The digital interpretation is intended to be a mobile exhibition that can be hosted in various locations. The LUF funding will also provide for some capital investment into a building(s) to host the digital exhibition.

Contribution to Corporate Priorities

2.12 The LUF investment will provide capital funding to achieve key elements of the Future Rutland vision – enterprise, accessible services and health improvements. The capital investment will unlock the delivery of corporate priorities set out in the Council's Corporate Plan and reflected in the Transformation Programme. The contribution of the different elements of LUF investment to corporate priorities is summarised in Appendix B.

Case for Investment

- 2.13 The Council has developed a detailed evidence base to underpin its developing economic strategy, the UK Shared Prosperity Fund and the LUF bid. We now have a more granular and detailed understanding of Rutland's economy.
- 2.14 The key headlines of the evidence base were discussed at an All Member briefing in January and have been the focus of Scrutiny's Economy Task and Finish Group. The County has many strengths, including skill levels, health, resident earnings, entrepreneurial culture and the natural environment which provide opportunities for increasing economic sustainability and productivity.
- 2.15 There are also some trends that suggest intervention is required:
- The County's economy is contracting and has done so year on year between 2010-2019. The value of Rutland's economy fell by 8.8% compared with a fall in the UK economy of 2.2% (2015-2020). In comparison, Melton's economy has grown by 20% and South Kesteven by 5%.
 - Rutland is the 10th lowest for growth of the economy of all UK local authorities.
 - The County is the 18th worst in the UK for social mobility.
 - In 2020/21 foodbank usage per head of population was 4.5% in Rutland compared to 2.6% in the East Midlands and 3.2% in England.
 - Average wages within the County are £1,600 less than the national average
 - Productivity is lower than the England average; Gross Value Added (GVA) per hour worked in Rutland is £30.35 compared to the England average of £38.29
- 2.16 In addition to the economic context there are other challenges that the LUF investment is intended to help address:
- Health inequalities linked to a high proportion of vulnerable older people.
 - Challenging economic outcomes for women, with wages significantly lower than the national.
 - Declining business competitiveness in terms of the area's ranking on the national index.
 - Low level of access to services driven by the rural nature of the area
- 2.17 The Rutland and Melton LUF bid recognised that the area is a good place for successful people to live in but not such a good place for people to earn a living.
- 2.18 The Rutland and Melton 'Rural Innovation in Place' proposition made the case that investment in health, enterprise, culture and transport could help deliver a step-change for the place and prove a demonstrator for other rural economies.

3 LUF TERMS AND CONDITIONS

- 3.1 Any ambitious grant funded programme will have risks and the terms and conditions of that grant scheme plays a key role in the council's ability to manage those risks.
- 3.2 There are 3 elements to the Terms and Conditions that govern the effective

management of the Rutland and Melton LUF programme and provide assurance to both DLUHC as grant provider and Rutland County Council as grant administrator. These are:

- 1) Memorandum of Understanding between DLUHC and Rutland County Council
- 2) DLUHC's Levelling Up Funds Local Authority Assurance Framework
- 3) 'Back to Back' Agreement between Rutland County Council as Accountable Body and Melton Borough Council as grant recipient

- 3.3 A summary of the LUF Assurance Framework is provided in Appendix C.
- 3.4 The Memorandum of Understanding (MoU) is included in Appendix E – redacted version. Exempt Appendix F contains the full MoU including financial details that are commercially sensitive.
- 3.5 Exempt Appendix G contains independent legal advice to Council on the MoU.
- 3.6 To aid Council the four key risks of grant funding programmes such as this are outlined below and how the terms of the MoU mitigate or add to the risk of the programme.
- 3.7 A broader summary of key risks and mitigations identified within the LUF bid is included in Appendix H.

Financial forecasts, outputs and delivery milestones in the bid are no longer valid.

- 3.8 Like many government grant funding programmes there was delay in the announcement of LUF awards. Inevitably financial forecasts, outputs and delivery milestones will have changed. This creates risks for grant recipients being held to account against the submitted programme. While there is a change process built into the programme, DLUHC have requested local authorities complete a 'project management update' that provides updated financial forecasts, outputs and delivery milestones.
- 3.9 Technical advisors are currently undertaking a review and a refresh of cost profiles, milestones and subsidy control for both Rutland and Melton projects. The updated baseline data will be approved by the Rutland and Melton Executive Programme Delivery Board prior to submission (see section 3.15 below).
- 3.10 The report seeks delegated approval to finalise the updated baseline data and submit to DLUHC to supplement the MoU.

Issues during the programme delivery mean the programme cannot secure agreed outputs or outcomes.

- 3.11 Programmes can encounter problems that affect the delivery of the outputs and outcomes the Council is held to by any legal agreements associated with the grant. For this grant the DLUHC's Assurance Framework expects effective governance arrangements, programme management approach and the project team to be in place to manage risks in the programme. In addition, RCC's Internal Audit will be requested to undertake periodic reviews of the LUF programme to provide assurance of effective delivery, financial management and compliance.

- 3.12 For this grant the MoU is not a legally binding contract on either party and is intended to provide an understanding of how the LUF capital funding will be used. The MOU allows for flexibility and anticipates a constructive and ongoing dialogue between RCC and DLUHC in the administration and delivery of the programme. The Council can, if required, submit a request to change the profile of the programme, although there is no obligation on DLUHC to agree to this. However, the MOU does not legally bind the council to the delivery of the programme outputs or outcomes and there is no clawback facility within the MOU.
- 3.13 This does also mean DLUHC has no binding obligation to release the funding. At certain points in the programme funding commitments will mean the council would be more exposed. Cabinet and/or Council (whichever is appropriate in the circumstances) will be involved at key gateways to approve implementation of projects and limit any financial exposure. The MoU allows for it to be terminated by either party subject to written agreement. Should the Council find itself unable to fulfil the requirements of the MoU it would seek to renegotiate terms or ultimately terminate the agreement.
- 3.14 The signed MoU has to be submitted by April 2023. This report seeks approval of the MoU and delegated authority to sign on behalf of RCC.

Other grant recipients fail to deliver the outputs and outcomes of their projects

- 3.15 Rutland will be the accountable body for this programme with Melton Borough Council being a grant recipient. There is a risk that Melton Borough Council does not meet its obligations in the programme, which Rutland is accountable for.
- 3.16 To manage this a 'Back to Back' agreement that apportions responsibilities, risk and financial and delivery obligations to Melton will be put in place. Melton will be wholly responsible for managing, delivering, reporting and administering the projects within its boundaries. This includes responsibility for managing cashflow and any necessary grant agreements required with third parties.
- 3.17 This agreement limits Rutland County Council's responsibilities to fulfilling the MoU requirements for the effective management of the programme as Accountable Body function and delivering the outcomes of the Rutland-specific projects.
- 3.18 The draft 'Back to Back agreement' is in Exempt Appendix. This report seeks delegated authority to finalise and agree the 'Back to Back' agreement with Melton Borough Council.

There is not the requisite capacity or expertise to effectively Administer or deliver the programme.

- 3.19 Rutland has consciously integrated the LUF programme within the Council's Transformation programme. This means the project teams that are supporting culture, transport and integrated health transformation workstreams will be in a position to use the LUF capital investment to help deliver the broader ambitions as well as meet the specific grant requirements.
- 3.20 The overall programme to develop the County's economy with a focus on innovation and enterprise, visitor economy and accessibility enables the Council to use existing revenue funding as well as other grant funds such as UK Shared Prosperity Funding and the Rural England Prosperity Fund to support and complement the

administration and delivery of the LUF capital programme. In addition, some project costs can be capitalised and funded directly through the programme.

- 3.21 For RCC the proposed Governance and Programme Management structure for LUF is in Appendix J. The Chief Finance Officers (section 151 Officers) for both Rutland and Melton will be members of the LUF Executive Programme Delivery Board.

4 CONSULTATION

- 4.1 The Rutland and Melton LUF bid was firmly positioned and based on the feedback from the Future Rutland Conversation.

- 4.2 The outcomes from the Future Rutland (FR) consultation identified the following priorities in relation to transport needs and access to services:

The overwhelming majority of health-related comments made in response to the FR consultation desired better or easier access to primary care services – particularly in Oakham. The importance of access to emergency health services and in-county services was also reiterated. A key driver across all priorities mentioned was enhanced health provision, particularly in relation to transport access.

In terms of wider economic development FR respondents felt that emphasis should be placed on innovation and creativity as a means of attracting businesses and investment into Rutland. The importance of high skilled/high pay jobs (particularly for young people) was also mentioned.

In addition to the Future Rutland Consultation, Scrutiny's Economy Task and Finish Group has also been reviewing the evidence base and the implications for the new economic strategy. The Economy Task and Finish Group has suggested the economic strategy should be bold and ambitious, focusing on innovation, diversifying the visitor economy, attracting investment and supporting local businesses to grow.

5 ALTERNATIVE OPTIONS

- 5.1 The alternative option would be for Council not to approve the LUF terms and conditions.

- 5.2 In the short term the implications of not signing the Memorandum of Understanding would result in the loss of significant capital investment in both Rutland and Melton local authority areas.

- 5.3 For Rutland, the Council would need to find alternative sources of capital financing/funds to deliver its ambitions for the economy and to transform public transport and health. If this is not an option services will have to be reduced.

- 5.4 In the longer term, the reputational damage of declining Government investment could restrict the Council's ability to secure capital funding for its future corporate plans.

6 FINANCIAL IMPLICATIONS

- 6.1 The original overall LUF programme funding profile is summarised in the table below, with £22.9m of grant awarded for schemes with a total value of £26.2m

between both Councils.

	Grant £000	Match £000	Total £000
Medi-Tech Digital Innovation Centre	5,792	1,200	6,992
Enhanced digital Visitor Experience	2,000	-	2,000
Integrated Transport	3,000	-	3,000
Total Project with RCC as Lead	10,792	1,200	11,992
Melton Town Centre Regeneration	12,159	2,035	14,194
Total LUF Programme	22,951	3,235	26,186

- 6.2 The following tables provide an overview of the profile of the schemes as provided in the bid. However, due to Government delays in the LUF programme and the changed economic context since the bid was submitted, the funding profile and cost assumptions are being refreshed with completion in line with the governance on updating and changing the programme. The programme will be adjusted as necessary to deliver within the available capital budget i.e. the financial management of the programme to be within the funding available, see key risks and mitigations in Appendix H.
- 6.3 As outlined in section 3.8 above, the cost profiles of the schemes are to be updated to reflect and capture any changes in the assumptions on costs. In order for the bid to be based on appropriate costing assumptions the Council made use of external expertise in the formation of the costing profiles contained in the bid. Included as part of these cost profiles was an allocation of contingency costs for each scheme, which range from 5% to 9% of total costs depending upon the project. As the costing profiles are updated the Council will refresh its assessment of the impact on the MTFS assumptions. This type of review will form part of the overall project control and governance process as the programme progresses through each stage, for example the supplier contracting stage and the receipt of quotes from suppliers which need to be in line with the assumptions made in the bid and MTFS resulting in decision points to proceed with the programme or not.
- 6.4 The bid submission used external expertise in the costing of the proposals and the project costs include an element of contingency for each scheme, which range from 5% to 9% of total costs depending upon the project. As the projects progress through the governance steps, and project management controls, the project costs will be further refined and considered as a whole ie contracting arrangements with suppliers and resulting decision point.

Project 1 - Medi-Tech Digital Innovation Centre			
Financial Year	Grant £000	Match £000	Total £000
2022/23	579	120	699
2023/24	4,344	900	5,244
2024/25	869	180	1,049
2025/26	-	-	-
Total	5,792	1,200	6,992

Project 2 - Enhanced Digital Visitor Experience			
Financial Year	Grant £000	Match £000	Total £000
2022/23	200	-	200
2023/24	800	-	800
2024/25	1,000	-	1,000
2025/26	-	-	-
Total	2,000	0	2,000

Project 3 - Integrated Transport			
Financial Year	Grant £000	Match £000	Total £000
2022/23	2,251	-	2,251
2023/24	505	-	505
2024/25	244	-	244
2025/26	-	-	-
Total	3,000	0	3,000

Project 4 - Melton Town Centre Regeneration			
Financial Year	Grant £000	Match £000	Total £000
2022/23	529	311	840
2023/24	6,745	862	7,607
2024/25	4,885	862	5,747
2025/26	-	-	-
Total	12,159	2,035	14,194

Total LUF			
Financial Year	Grant £000	Match £000	Total £000
2022/23	3,559	431	3,990
2023/24	12,394	1,762	14,156
2024/25	6,998	1,042	8,040
2025/26	-	-	-
Total	22,951	3,235	26,186

- 6.5 If approved by Council these projects will be added to the Capital Programme and will follow the Council's programme management procedures, this will include a project team (RCC Projects) and a joint project board between RCC and Melton Appendix I shows the proposed governance structure. The members of the board will be aligned to the requirements in the MoU. As a minimum these projects will be reported on alongside the regular reporting of the Capital Programme in line with the Councils Financial Procedure Rules.
- 6.6 The LUF bid was submitted on the basis that there would be no direct impact on the Council's revenue budget. As such the Medium-Term Financial Strategy (MTFS) assumes no further revenue impact of these schemes outside the usual approach to risk management and mitigation activity. The Council will adhere to its existing financial management and control environment as a minimum, and the robust governance, oversight and programme management will be vigilant in safeguarding the Council's financial position in accordance with the MTFS.
- 6.7 As the accountable body for the funds, further monitoring and reporting requirements are placed upon the Council. These are set out in the 'First Line of Defence Assurance Review Guidance' (see Appendix D) and require the Chief Finance officer to have in place processes that ensure proper administration of financial affairs relating to the funded projects. This requirement is in line with the specific role and responsibilities of a Council's S151 and the way the Council manages its finances. The Council has a proven strong track record with external audit in this regard, and particularly evidenced recently with the receipt of additional Covid grant funding, whereby the Council ensured terms and conditions of the funding were met through application of a relevant control and procedure environment.
- 6.8 The Council has estimated the cashflow impact of the receipt of these funds along with the expenditure profiles. The original profile of the programme did not create an impact that would significantly change the assumptions made in the Treasury Management Strategy and is in line with existing processes for cash management.
- 6.9 The LUF bid identified £1.2m of developer contributions to provide match funding for the Rutland projects and to leverage wider investment in health facilities. An indicative allocation of developer contributions for health was approved by Cabinet in December 2022. A report will be brought to a future meeting of Council to consider the business case for complementary investment in health provision within the County and the use of £1.2m Developer. Subject to approval this investment will provide £1.2 million match funding to contribute to the Rutland element of the Levelling Up Fund proposition.

7 LEGAL AND GOVERNANCE CONSIDERATIONS

- 7.1 The overall governance framework for the Rutland and Melton LUF Programme is made up of a number of components: The MoU; the Assurance Framework; the 'Back to Back' Agreement; and the Council's Corporate Management Framework. The first three of these are summarised at section 3 above.
- 7.2 As to the fourth, the Rutland and Melton LUF Programme has been risk-assessed in line with the Council's Corporate Projects Management Framework and has been assessed as 'High Risk' which means Cabinet is responsible for decision-making in relation to the management of the LUF programme and approval of governance

arrangements and programme documentation.

- 7.3 Council is asked to note the programme governance arrangements in accordance with the corporate projects management framework (Appendix J). The relevant Portfolio Holders will be appointed to the Executive Programme Delivery Board and Board membership will be updated following Annual Council. This is consistent with the dynamic management of the programme permitted by the MoU.
- 7.4 The commissioning, procurement and implementation of the Rutland elements of the LUF programme will be in accordance with the Council's Constitution, including the Contract Procedure Rules and Financial Procedure Rules. Cabinet and/or Council (whichever is appropriate in the circumstances) will be involved at key gateways to approve implementation of projects and limit any financial exposure.
- 7.5 During the development and assessment of the Rutland and Melton LUF bid specialist legal advice was obtained on the Subsidy Control implications of the bid – specifically on compliance with the Subsidy Control rules contained within the Subsidy Control Act 2022 (Note: the Subsidy Control regime has replaced the previous rules on State Aid). It was a DLUHC requirement of all bidders to provide assurance that any grant would be compliant with the Subsidy Control rules and would not distort the competitive market. DLUHC has requested all successful bidders to provide fresh assurance and for that reason the Council's legal advice is currently being refreshed, although there is no reason to believe the updated advice will depart from the original advice.
- 7.6 The cost of legal advice has been funded through external funding and existing budget provision with no additional pressure on the Council's revenue position.

8 DATA PROTECTION IMPLICATIONS

- 8.1 A Data Protection Impact Assessments (DPIA) has not been completed for the following reasons because there are no identified risks/issues to the rights and freedoms of natural persons.

9 EQUALITY IMPACT ASSESSMENT

- 9.1 An Equality Impact Assessment (EqIA) has not been completed because there are no identified risks/issues for equalities or protected groups.

10 COMMUNITY SAFETY IMPLICATIONS

- 10.1 No direct implications arising from this report.

11 HEALTH AND WELLBEING IMPLICATIONS

- 11.1 For Rutland the LUF investment will leverage capital investment and commitment from health partners. The bid was supported by Leicestershire Partnership NHS Trust and Leicester, Leicestershire and Rutland Integrated Care Board.
- 11.2 It provides a catalyst to unlock investment in the Rutland Memorial Hospital site and develop the potential for a health and care campus. This will complement and enhance the work of the Health and Care Collaborative and provides an opportunity to further enhance integration and delivery of local health and care services.

11.3 The LUF investment will complement the Council's Transformation Programme and the Health and Care Collaborative workstream.

12 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

12.1 In January 2023, Government announced that the Rutland and Melton 'Rural Innovation in Place – Levelling Up Proposition for Rutland and Melton from 2023 to 2026' was one of 111 successful LUF Round 2 bids to be awarded capital grant investment. To access the funding the Accountable Body (Rutland County Council) is required to sign a Memorandum of Understanding with DLUHC.

12.2 The MoU is intended to set the framework for an effective working relationship between DLUHC and Rutland County Council as the Accountable Body in managing the capital grant funding and achieving the aspirations of the bid.

12.3 The MoU is not a legally binding contract on either party and is intended to provide an understanding of how the LUF capital funding will be used. The MoU allows for it to be terminated by either party subject to written agreement. There is no provision for clawback within the MoU.

12.4 The LUF bid was submitted on the basis that there would be no direct impact on the Council's revenue budget. The Council will adhere to its existing financial management and control environment as a minimum, and the robust governance, oversight and programme management will be vigilant in safeguarding the Council's financial position in accordance with the MTFS.

12.5 The commissioning, procurement and implementation of the Rutland elements of the LUF programme will be in accordance with the Council's Constitution, including the Contract Procedure Rules and Financial Procedure Rules. Cabinet and/or Council (whichever is appropriate in the circumstances) will be involved at key gateways to approve implementation of projects and limit any financial exposure.

12.6 This report seeks approval for signing the MoU, for RCC to act as Accountable Body and for the delegated authority to manage, administer and implement the LUF programme including submitting updated baseline data (project costings, milestones and outcomes) to DLUHC.

12.7 A 'Back to Back' agreement between RCC as Accountable Body and Melton Borough Council as grant recipient has been drafted by the Council's external legal advisers. This 'Back to Back' agreement apportions responsibilities, risk and financial and delivery obligations to the appropriate parties. The report seeks delegated authority to finalise and agree the 'Back to Back' agreement with Melton Borough Council.

12.8 The Rutland and Melton LUF Programme has been risk-assessed in line with the Council's Corporate Projects Management Framework and has been assessed as 'High Risk' which means Cabinet is responsible for decision-making in relation to the management of the LUF programme and approval of governance arrangements and programme documentation.

13 BACKGROUND PAPERS

Rutland and Melton LUF Portal Bid Submission – **EXEMPT**

14 APPENDICES

- 14.1 Appendix A – Summary of the ‘Rural Innovation in Place: A Levelling Up Proposition for Rutland and Melton’
- 14.2 Appendix B – Summary of LUF Contribution to the Council’s Corporate Priorities
- 14.3 Appendix C - Summary of LUF Assurance Framework
- 14.4 Appendix D - Department for Levelling Up, Housing and Communities Levelling Up Funds Local Authority Assurance Framework
- 14.5 Appendix E - Redacted Memorandum of Understanding with the Department for Levelling Up, Housing and Communities
- 14.6 **Exempt** Appendix F – Unredacted Memorandum of Understanding with the Department for Levelling Up, Housing and Communities
- 14.7 **Exempt** Appendix G – Legal Advice to RCC on the Memorandum of Understanding
- 14.8 Appendix H – Key Risks and Mitigations of the Rutland and Melton LUF Programme
- 14.9 **Exempt** Appendix I – Draft ‘Back to Back’ Agreement between RCC and Melton Borough Council
- 14.10 Appendix J – Proposed LUF Governance and Programme Management Structure

A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.

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RURAL INNOVATION IN PLACE

Levelling Up Proposition for Rutland and Melton

August 2022



food festival

WE
ARE
HERE

THE
Gin Bar

Fur & Feather

SUE'S BIRTHDAY
GIN BAR
BROCKMANS
SILENT POOL
OPPER
HENDRICKS
GIN MARE
BACHTLE
SPEAKTH
BLOOM

32

INTRODUCTION



Cllr Lucy Stephenson
Leader of Rutland County Council



Cllr Joe Orson
Leader of Melton Borough Council



Alicia Kearns
MP for Rutland and Melton

133

Being key rural economic centres in the East Midlands, Rutland and Melton share more than just an MP. To many, they represent quintessential “Middle England”. While this simplistic label misses the key challenges which signature rural communities like ours face, there is a long tradition of innovation in rural places like ours.

Rutland County Council and Melton Borough Council have joined hands in preparing this Levelling Up Funding bid that proposes to harness the natural entrepreneurial talents of the local community to bring a 21st Century vision to Oakham, Melton Mowbray and our wider hinterland.

Our proposal is to enhance the strength of the food production sector in Melton and to maximise the potential of Rutland’s health sector. We want to build from a position of strength and our proposal demonstrates that we can deliver sustained and long-term benefits for the Government’s investment.

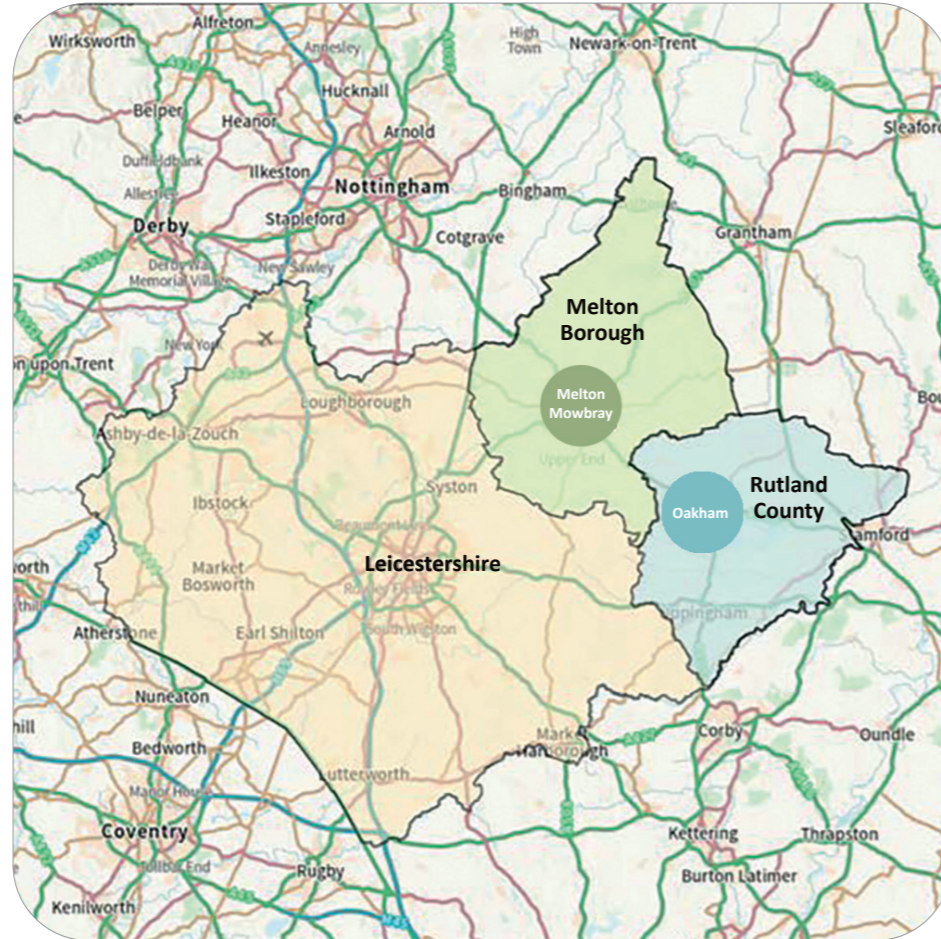
CONTENTS

Location	03
Vision	04
Issues and Opportunities	05
LOGIC Model	06
Projects	07
Medi-Tech	07
Stockyard	08
Museum Digitalisation	10
Campus Theatre	11
Mobi-Hub	12
Benefits	13
Funding	14
Milestones	15
Governance Structure	16
Consultation Partners	17

LOCATION

Our bid focuses on ambitious projects in two unique towns - Oakham and Melton Mowbray - both small, characterful and economically important market towns in the East Midlands.

Over 2million people are within a 60min drive of these locations. They are also less than 4 hours' drive away from 80% of the country's population, which makes them ideal destinations for long weekend breaks.



Oakham

An important regional retail and economic centre neighbouring the internationally renowned Rutland Water.



Melton Mowbray

Known for Pork Pies and Stilton cheese, historic and cultural links to food production



VISION

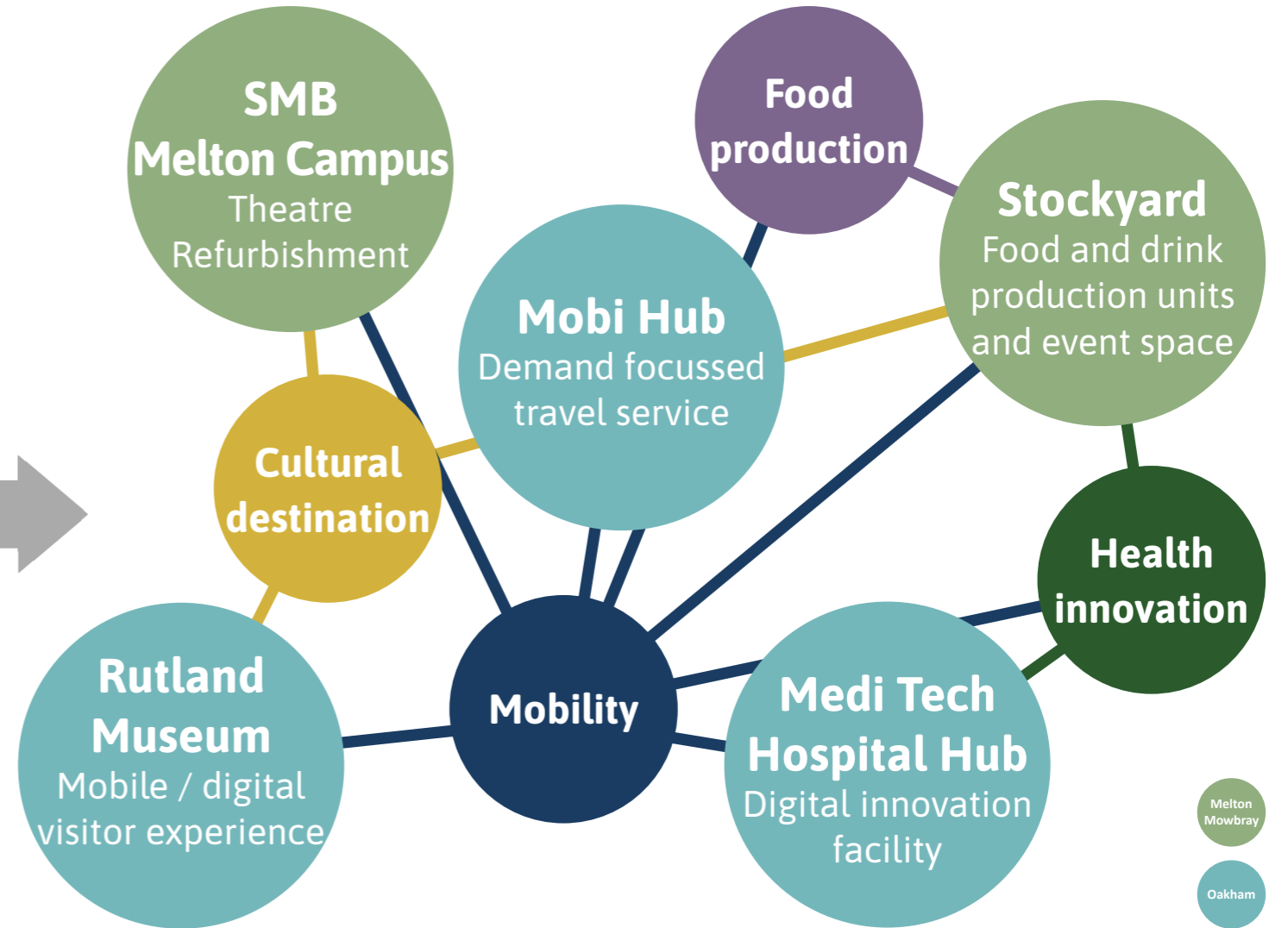
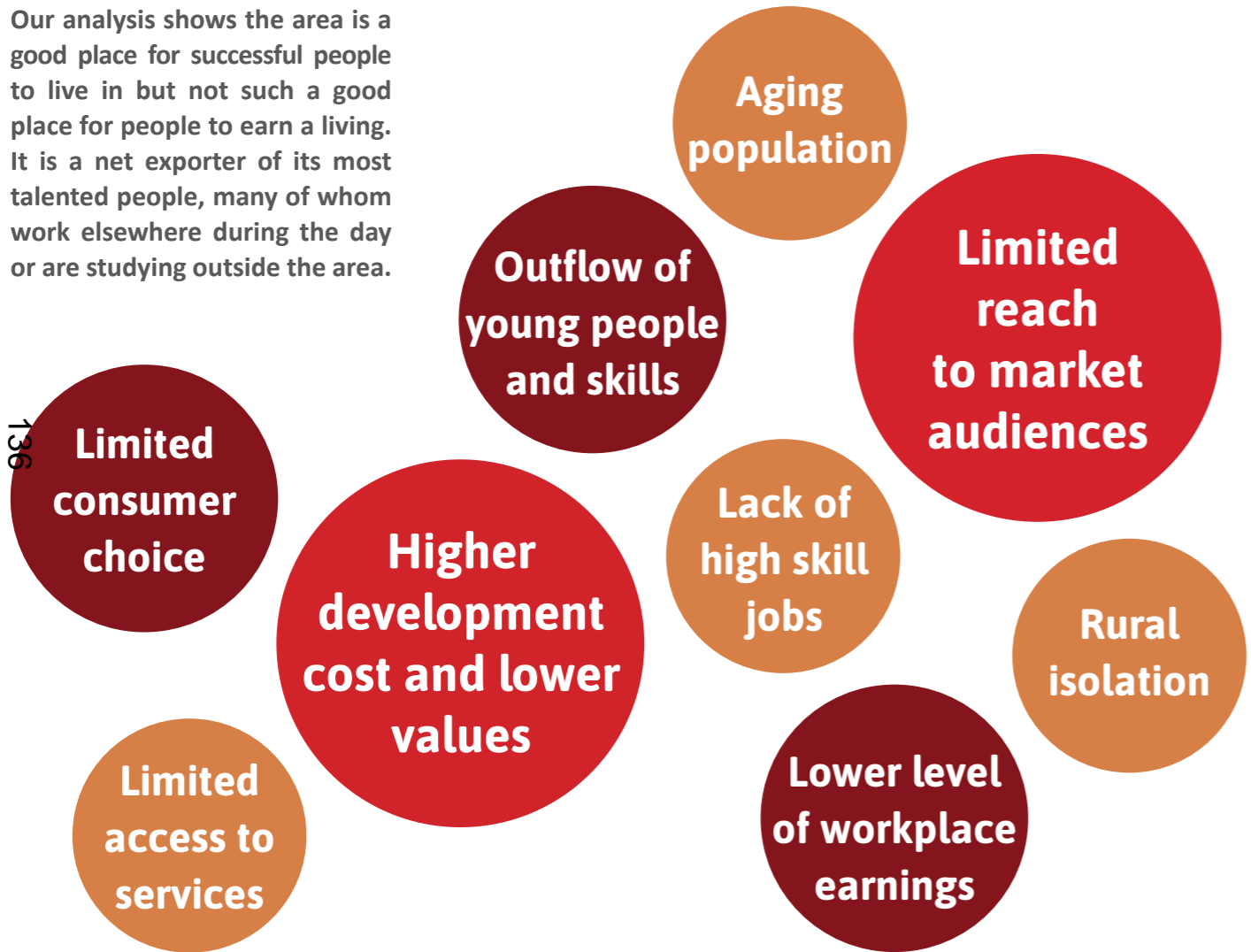
This proposal seeks to develop the economic potential of rural areas by leveraging the distinctive assets of the settlements in our geography.

This will be achieved through developing a food innovation showcase in Melton, a health and digital showcase in Oakham and a mobility showcase that links the two. Linked to this is a tourism showcase that branches across both areas and is delivered through upgrades to Melton's theatre and event space at the Stockyard and digitisation of the recently discovered Rutland Ichthyosaur and Roman Mosaic.



ISSUES AND OPPORTUNITIES

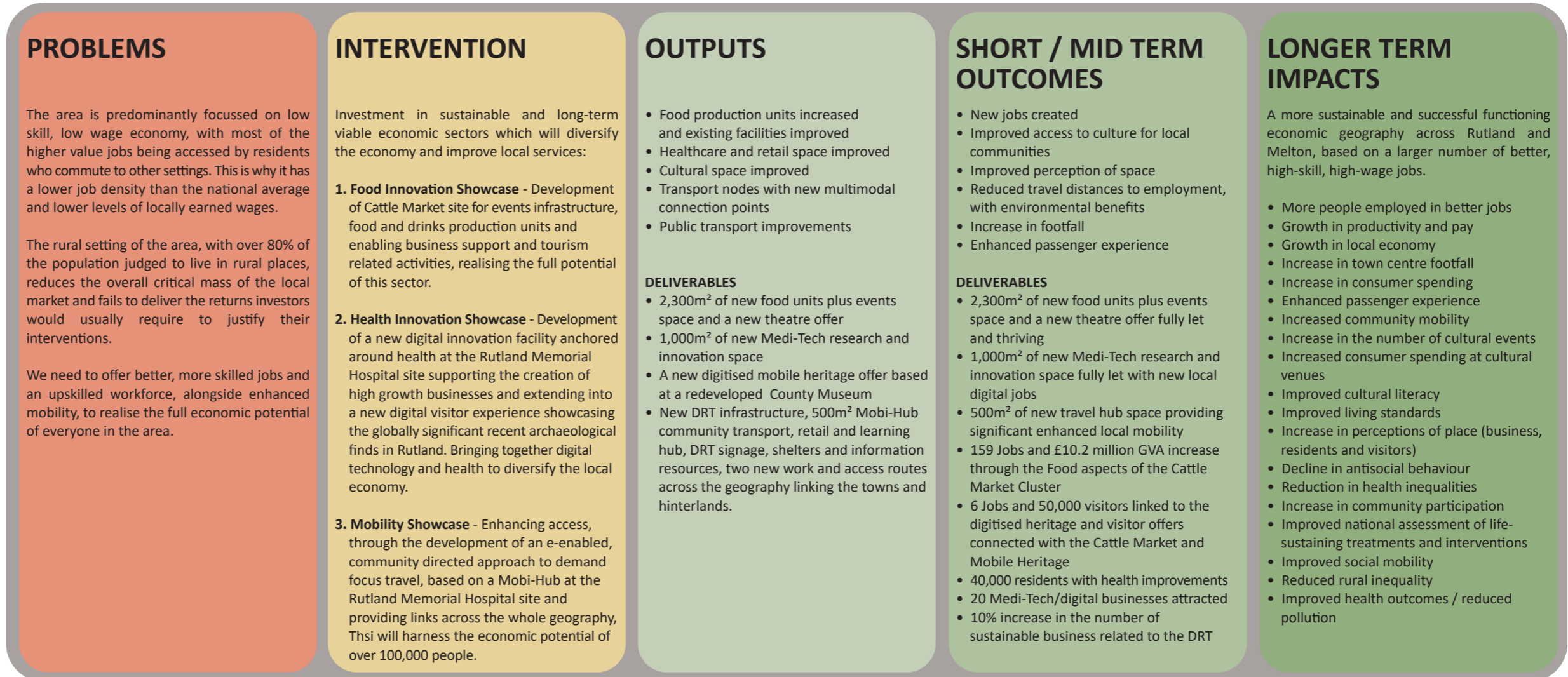
Our analysis shows the area is a good place for successful people to live in but not such a good place for people to earn a living. It is a net exporter of its most talented people, many of whom work elsewhere during the day or are studying outside the area.



LOGIC MODEL

This is a graphical representation of how our planned interventions address the challenges found across Rutland and Melton and the outputs we will deliver to in response.

137



MEDI TECH

The Rutland Memorial Hospital site will accommodate a digital innovation facility, drawing on the population health profile of the area as a nationally significant centre for clinical trials and the development of medi-tech focused on the older population.

We propose a new build investment of 1,000m² which will be able to support a number of features, namely:

- A “pre-tooled” lab base for the development of medi-tech population level clinical trials – providing lab and light assembly space, which will be available to medi-tech organisations at a marginal cost.
- A Continuous Professional Development centre for clinicians working in the area. This will create an inter-disciplinary focus and links to wider activities at the Centre, which replicates the strategy underpinning the current Cavell Centre model planned for six locations across England.
- A training base for students involved in relevant disciplines at local universities, including medical schools and schools of nursing. This will build on the well-established understanding at Health Education England (now a core part of NHSE&I) – principally, that the antidote to skills shortages at the heart of rural health inequalities lies in the development and training of people in rural settings themselves.
- A community health-related hub with a café, health trainers and (potentially) care workers developing their businesses on a self-employed basis. This will create the potential for community and local engagement and governance in the running of the centre.
- A centre for national bodies interested in national demonstrator opportunities linked to the centre, including: HEE, Centre for Ageing Better, National Centre for Rural Health and Care.

138



£ 3.5M

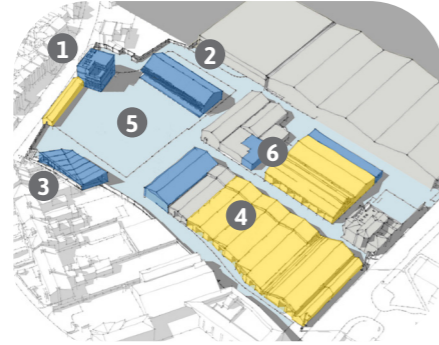
DIGITAL INNOVATION FACILITY AT RUTLAND MEMORIAL HOSPITAL



In 2020, Rutland was ranked 1st in the Country for Adult Social Care, delivering better outcomes for lower per capita spend. We will build on our insights and skills in the management of this facility.

STOCKYARD

Strengthening Melton’s position as the ‘Rural Capital of Food’, the proposed project builds on the success of the work undertaken by Melton Borough Council and its partners at the site of the existing Livestock Market.



Investment from the Levelling Up Fund is sought to develop a range of activities, namely:

1. A destination Anchor Building on the site for food production, café, communal space for education, networking and visitor facilities.
2. New build Production Hub with a flexibly designed volume to accommodate a range of production activity types.
3. Small, pre-fabricated production units with shared facilities and frontage to square for retail and leisure uses.
4. Conversion of under-used, dilapidated buildings and sheds into food production units where the production activity is part of visitor attraction.
5. Creation of a flexible, multi-purpose events space with increased capacity for utilities and car parking to accommodate larger number of people.
6. Improved infrastructure with additional toilets, lighting, signage and power supply to facilitate safe and accessible events and festivals that attract national and international recognition.

139 Food production

Health innovation

Educator

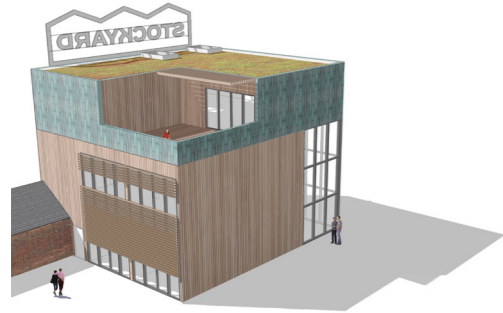
Melton Mowbay

£ 12.0M

PROVISION OF FOOD AND DRINKS PRODUCTION UNITS



STOCKYARD



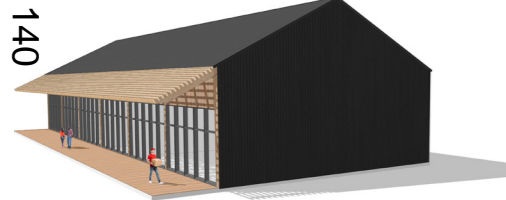
We propose to develop further food production units that showcase the tradition of gourmet food production in Melton in the contemporary context, combining events, festivals, tourism, innovation and enterprise in one location.

To the general public, the project will offer an exciting, cohesive area of new and existing food & drink initiatives that will collaboratively showcase the heritage and ingenuity around Melton.

It will be a hub of education for children and adults to learn about the latest thinking on sustainable production and healthy eating, capitalising on the new trends around local and healthier diets, food sourcing, packaging as well as waste management.

The project will also maximise the potential of the current carpark to create a truly multi-functional space. The wider potential and versatility of the site stands to make the Stockyard a regional and national destination through its ability to cater for large-scale events. Its unique identity and rich food and beverage offering will help cement this attraction for the full cross section of visitors.

With improved connectivity with the High Street and new working relationships with SMB Group Melton Campus and local businesses, the development of this destination will celebrate the history of the town's economy and make it more relevant for today's customers, securing the long-term future of this key economic sector for Melton and the wider rural Leicestershire.



IMPROVED MULTIFUNCTIONAL OPEN AIR EVENT SPACE

This project will deliver a UK-leading example of an Innovation Ecosystem designed to help food & drink manufacturing businesses develop through the provision of technical knowledge / support and facilities that aid their growth.



RUTLAND COUNTY MUSEUM

Rutland is home to two unique heritage treasures: the largest Ichthyosaur fossil in Europe and the remains of a stunning 4th Century Roman Villa with an exceptional mosaic.



141

Neither of these assets can be displayed easily to the public, directly. By digitising and creating a mobile display base for these assets at the Rutland County Museum, our bid will secure footfall and visitor activity which is distributed across the commercial urban core for the benefit of the whole town.

Investment from the Levelling Up Fund (LUF) will create the virtual models, storage and touring facilities to enable the finds to be showcased in Oakham and across the region. It will also form the basis for co-funding with the National Lottery Heritage Fund (NLHF) to deliver new gallery spaces and visitor facilities on the existing Museum site, transforming the visitor offer.

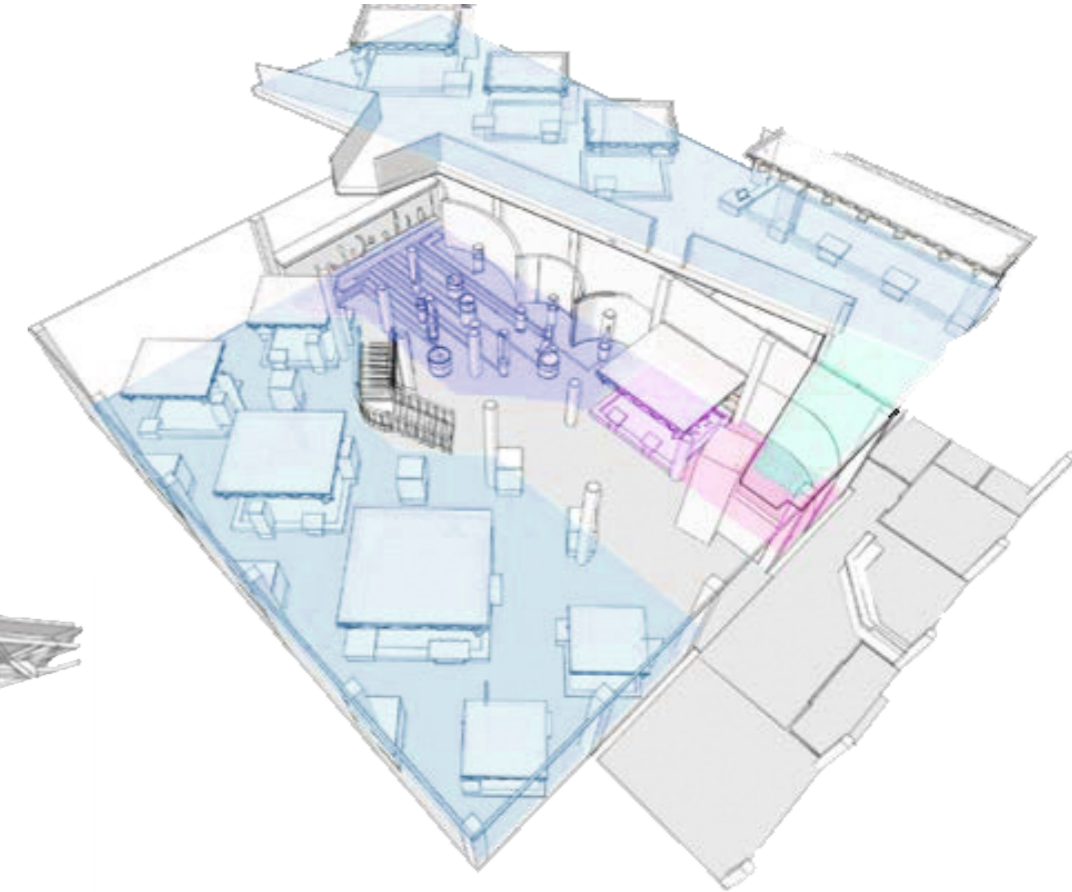
£ 2.0M

Cultural destination

Oakham

MOBILE ,DIGITAL VISITOR EXPERIENCE AT RUTLAND MUSEUM

This project will support the economic regeneration of Rutland and Melton, providing a high-quality must-see cultural destination and a leisure driver with improved access links to promote the use of transport facilities.



CAMPUS THEATRE

SMB Group Melton Campus is a key component in delivering our vision of the 'Rural Capital of Food' due to its focus on farming, food production catering, performing arts and other vocational courses.

We propose to refurbish the theatre within the College campus in Melton Mowbray. This is used for educational purpose, as a lecture theatre and as a facility for the college's performing arts course.

Works will include improvements to the main auditorium and backstage facilities. This will enhance the customer/client experience and ensure the theatre can be used not just for education but also as a facility that can secure bookings for larger professional performances and local community productions, as well as being utilised as a conferencing facility.

THEATRE REFURBISHMENT AT SMB GROUP MELTON CAMPUS



This facility will be used throughout the year, enhancing our cultural offer and generating additional footfall into the town to support our burgeoning evening economy.

142

Cultural destination

Educator

Melton Mowbray

£ 2.0M

MOBI-HUB

This aspect of the bid involves the creation of a Mobi-Hub, a 500m² travel anchor in Oakham as part of the development of the Rutland Memorial Hospital site. This will be made possible by the development of an e-enabled, community-directed approach to demand focus travel.

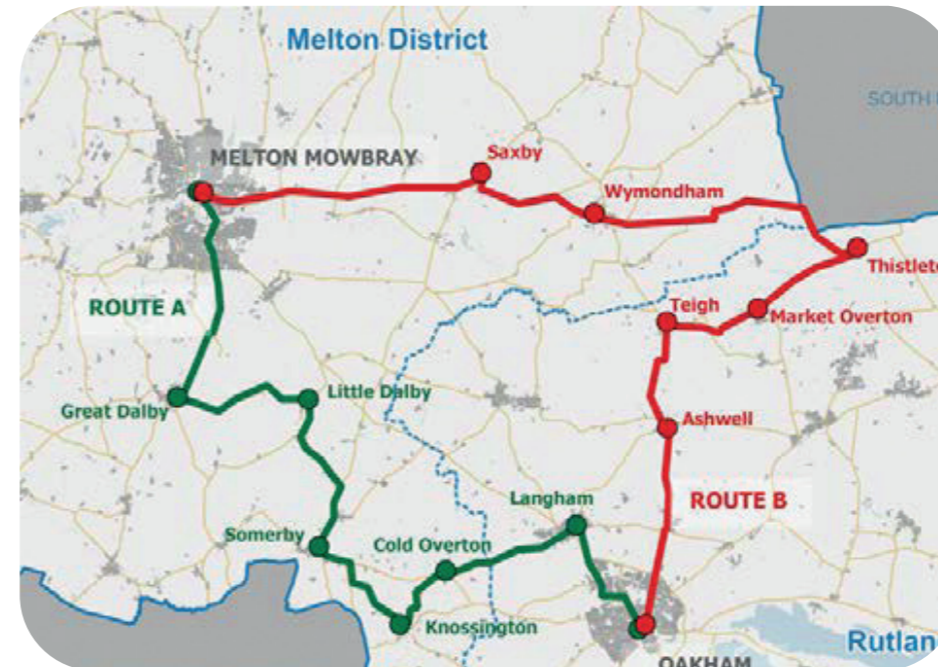


The Mobi-Hub will be supported by a Demand Responsive Transport (DTR) system based on Rutland County Council’s Bus Service Investment Plan and extended to cover the Melton Borough area, linking the overall package of Levelling Up investments. It will focus on two routes with further refinement to be completed through the ongoing dialogue with Leicestershire County Council and the local community.

- Route A: from Oakham via Langham, Cold Overton, Knossington, Somerby, Little Dalby, Great Dalby to Melton Mowbray.
- Route B: Oakham to Melton operating via, Saxby, Wymondham, Thistleton, Market Overton, Teigh and Ashwell.

These routes are based on an evidence-led analysis of consumer travel demand and interest arising from the consultation associated with our recent Bus Service Improvement Plan. The Mobi-Hub will also provide retail, learning and community facilities. It will be managed by a community transport organisation and underpinned in its operation by the Council.

ANCHOR FOR DEMAND RESPONSIVE TRANSPORT (DRT) SERVICE



This service will enable people to access work, learning and services more fully across the two market towns and their wider hinterlands, harnessing the economic potential of over 100,000 people. Our bid will prove to be a demonstrator for innovation and levelling-up rural economies to secure a sustainable future.

143

Mobility

Oakham

£ 6.5M

BENEFITS

New employment space

3,800m²



Gross direct jobs created

159

Increase in number of cultural events

50k 7k

additional visitors to region weekly market visitors



Benefit Cost Ratio (BCR)

2.6 : 1

Net local additional jobs created

112

Improved access to cultural offer

Improved social mobility

40k

New multifunctional space / improved public realm



Growth in local economy



GVA increase

Reduced health inequality

residents with better access to health

10,330m²



Increased footfall in town centre

£10.2M



Medi tech businesses attracted

20

Improved community mobility

2

New work access routes

Refurbished existing buildings



Improved buildings energy performance



New food production units created

25

Reduced rural inequality



linking towns and hinterlands

3,365m²

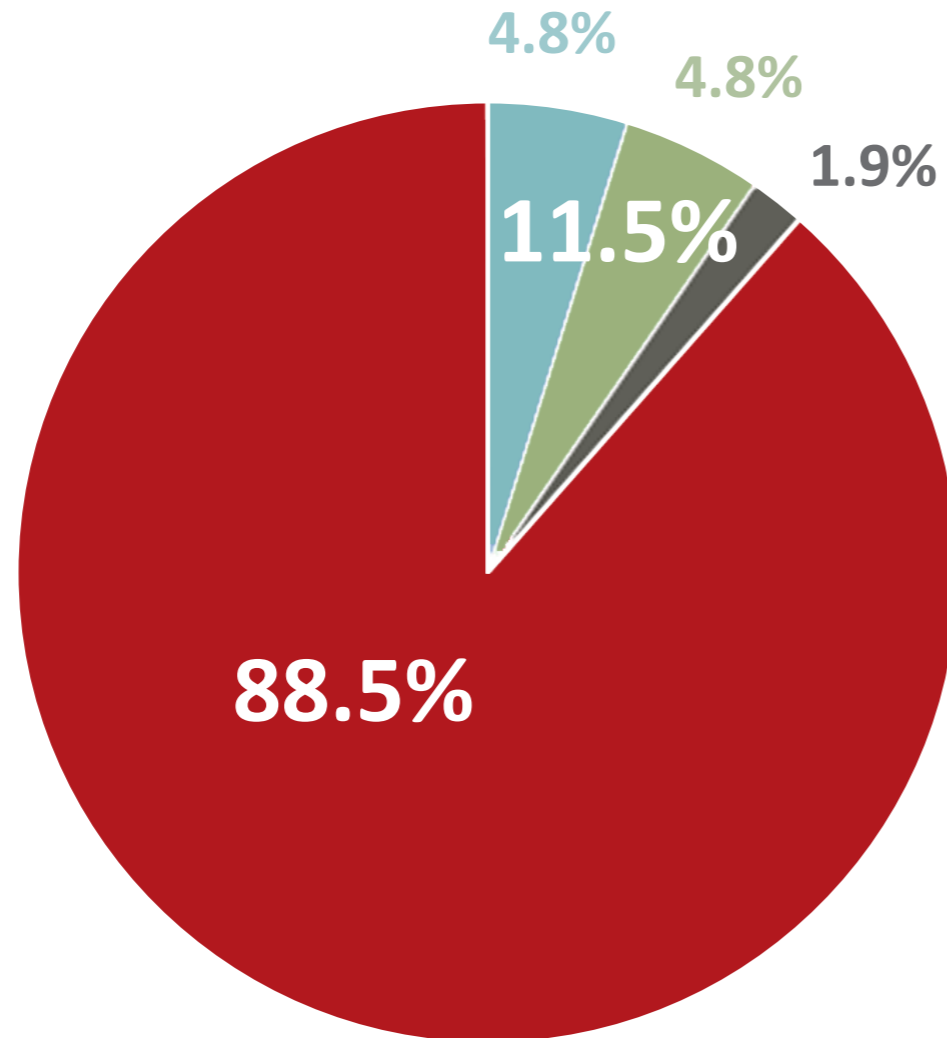


Responsible consumption

FUNDING

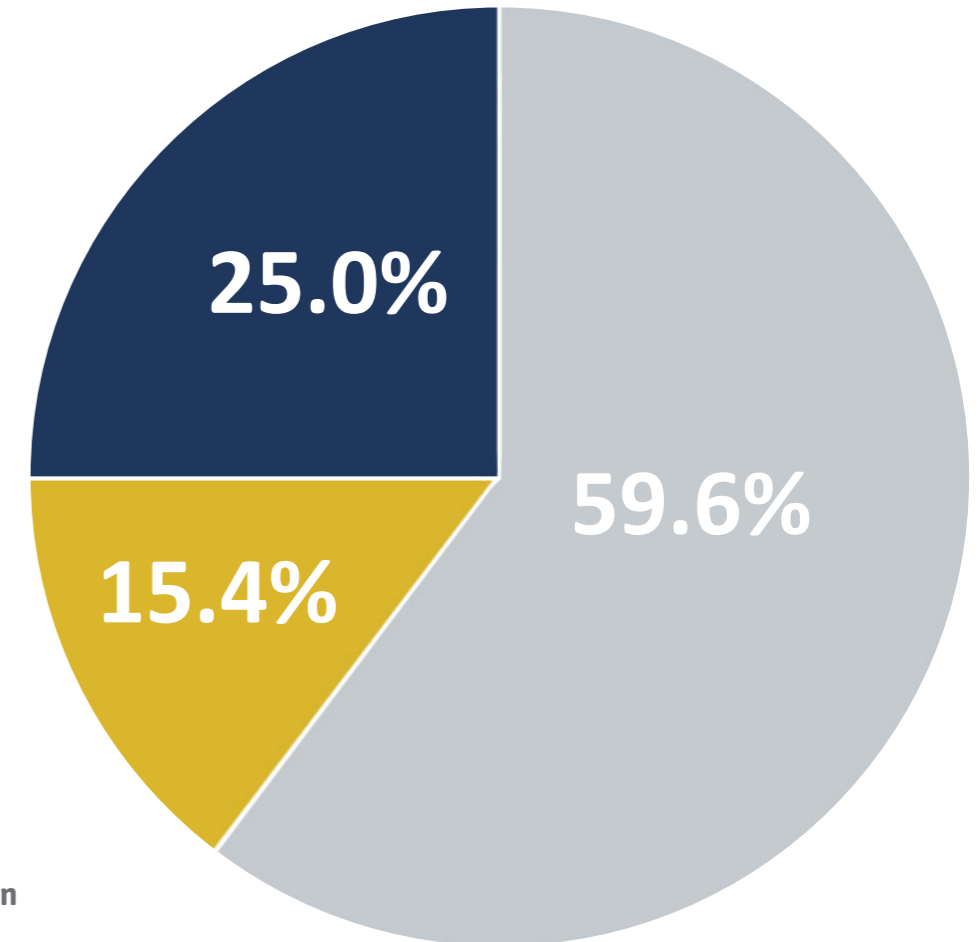
Total grant requested
£23.0M

- £23.0M**
Total funding requested
- £1.2M**
Local Authority Match
- £1.25M**
Local Authority Match
- £0.5M**
Private Sector Match (Melton)

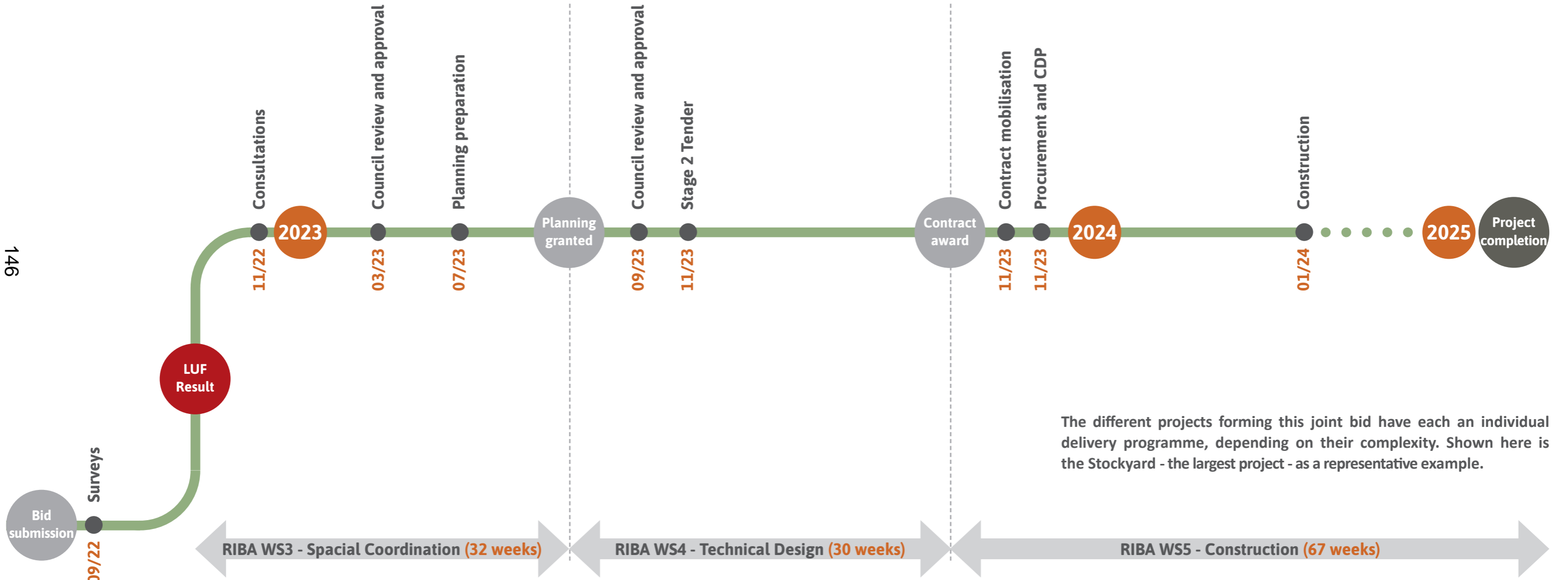


Total project budget
£26.0M

- £15.5M**
Stockyard Medi-Tech
- £6.5M**
Mobi-Hub Transport Routes
- £4.0M**
Museum Digitalisation BMC Theatre

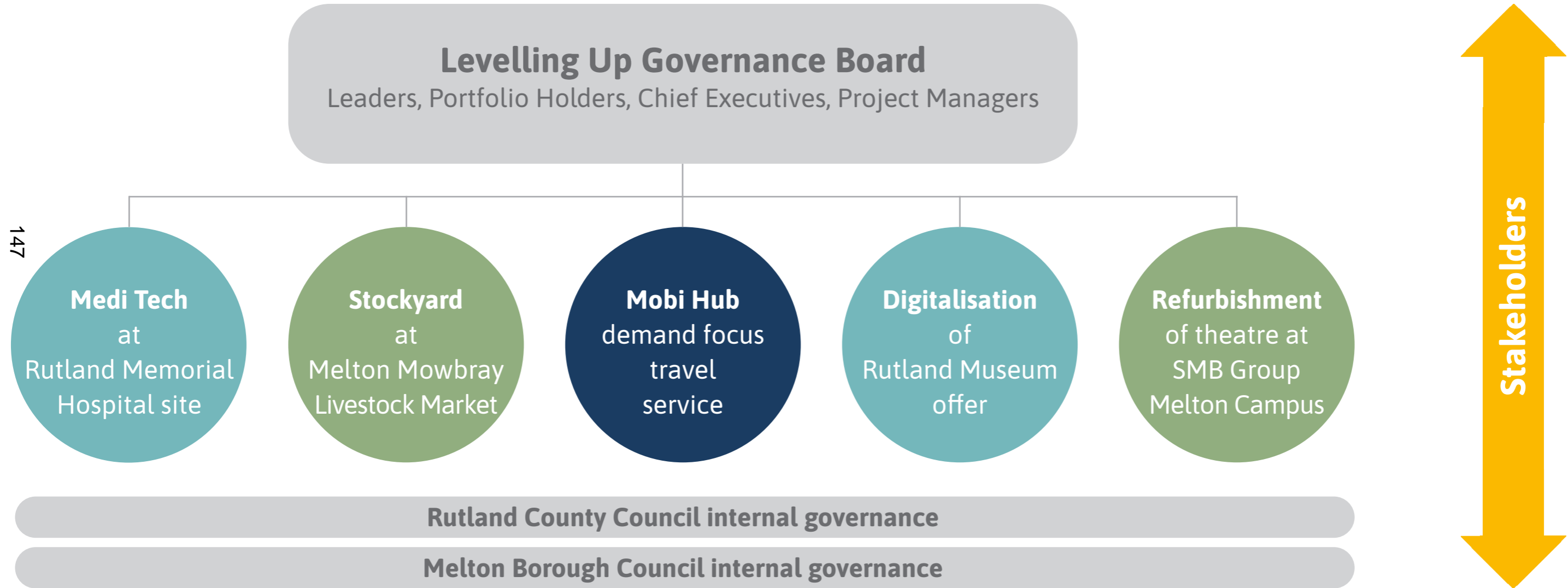


MILESTONES



The different projects forming this joint bid have each an individual delivery programme, depending on their complexity. Shown here is the Stockyard - the largest project - as a representative example.

GOVERNANCE STRUCTURE



CONSULTATION PARTNERS



Rutland
County Council



Melton
Borough Council



Leicestershire
County Council



Gillstream
Markets



SMB
College Group



Museum
Trust

Throughout the development of these proposals, significant consultation has been undertaken by partners involved in the bid that has helped inform the projects put forward. This includes but is not limited to:

Melton

- Town Centre Vision – over 100 responses to consultation; 70% of responses being supportive of the theatre and Stockyard
- 2 workshops with over 40 attendees representing local organisations
- Constructive check and challenge with internal scrutiny group to ensure local representatives were able to inform bid development
- MP engagement to ensure local challenges and need were being addressed
- Extensive feedback on destination management with 3 workshops and over 340 responses to associated survey which highlighted a need for projects which supported enhancement of ‘Rural Capital for Food’ brand and wider tourism agenda

Rutland

- Consultation on Future Rutland conversation which highlighted issues around providing easier access to primary car services. Over 2,000 participants, including 465 young people. 4,500 individual responses across 15 themed surveys, including transport, leisure, healthcare and employment.

The proposals outlined in this document have been developed to ensure they align with local regional and national context / aspirations. An example of the documents taken into consideration include:

- Leicester and Leicestershire Strategic Growth Plan (2018-50) and Greater Lincolnshire Plan for Growth:
- LLEP’s Local Industrial Strategy (2018):
- Leicestershire Tourism Growth Plan (2019) and the Rutland Tourism Strategy (2020-25):
- Rutland Local Transport Plan (LTP4, 2019-2026) and emerging Melton Mowbray Transport Strategy (under consultation)
- Corporate Strategies for both councils
- Levelling Up white paper and Emerging Levelling Up and Regeneration Bill
- UK Shared Prosperity Fund
- National Food strategy
- Net Zero carbon emissions

In addition to the above, letters of support have been received from the following:

LLEP, Leicestershire County Council, Federation of Small Businesses, East Midlands Chamber, Gillstream, Round Corner Brewery, SMB Group, Local MPs, Leicester City Council (Inward Investment and Place Marketing)



Stockyard, Melton Mowbray
Nottingham Road entrance



150



Rutland
County Council



Melton
Borough
Council

Appendix B - Summary of LUF Contribution to RCC's Corporate Priorities

The Levelling Up Fund capital investment will contribute to specific Council Priorities with the Corporate Strategy 2022-27:

A special place: Sustaining a vibrant rural county that harnesses the enterprise of its businesses, the ambition and creativity of its residents, and the passion of its local communities.

Inclusive growth: We will support our economy to recover, tackling economic inequality and low social mobility. An increase in new businesses and local job opportunities. – **LUF Medi-tech Enterprise Centre**

Heritage and culture: We will enable a thriving, diverse, sustainable heritage and cultural offer with increased community leadership. An increase in visitors and associated economic benefits. More community led services supported by volunteers. – **LUF Digital Interpretation of Cultural Assets**

Sustainable lives: Living sustainably and combatting the climate crisis through the power of choice, the removal of barriers, and real collective action.

Net zero carbon: We will support the reduction of Rutland's carbon footprint and impact on the local environment. Reduction in the Carbon footprint of the Council and the County. – **LUF Electric Demand Responsive Transport**

Connected communities: We will support sustainable methods of transport through cycle routes, bridleways, public footpaths and community led transport. Greater use of electrical vehicles in the county. Increase the number of people walking and cycling. – **LUF Electric Demand Responsive Transport**

Healthy and well: Promoting health, happiness and wellbeing for people of all ages and backgrounds.

Joined up care: We will work with partners and neighbouring counties to develop local integrated services which are responsive to community health and care needs. Better Care programme outcomes achieved. People are able to die in preferred place of care - **LUF Medi-tech Enterprise Centre**

Health and wellbeing infrastructure: We will work with health partners to improve our health and wellbeing infrastructure to maximise access and the delivery of care closer to home. Improved access to joined up care locally - **LUF Electric Demand Responsive Transport**

Reducing health inequalities: We will work with partners to ensure all of Rutland has the opportunity to achieve the best health and wellbeing that they can. There is a reduction in health inequalities in the County - **LUF Medi-tech Enterprise Centre**

A modern and effective Council: Transforming the way we work to deliver effective and efficient services fit for the future.

Financially sustainable: We will take further action to ensure the council lives within its financial means. The Council has a balanced budget and can continue to deliver services the community needs. The Council and public infrastructure needs will be met. – **LUF capital investment will provide significant external funding to deliver on priorities that the Council may otherwise have to resource itself and seeks to unlock further efficiencies in how the Council delivers services in the future.**

Appendix C - Summary of the LUF Assurance Framework

There are 3 elements to the Terms and Conditions that govern the effective management of the Rutland and Melton LUF programme and provide assurance to both DLUHC as grant provider and Rutland County Council as grant administrator. These are:

- 1) Memorandum of Understanding between DLUHC and Rutland County Council
- 2) DLUHC's Levelling Up Funds Local Authority Assurance Framework
- 3) 'Back to Back' Agreement between Rutland County Council as Accountable Body and Melton Borough Council as grant recipient

Memorandum of Understanding

The Government has awarded Rutland and Melton approximately £23million to deliver the joint capital investment programme. To access the funding the Accountable Body (Rutland County Council) is required to sign a Memorandum of Understanding with DLUHC.

The MoU is a standard DLUHC template supplemented with Rutland and Melton specific details taken from the bid including project budget and costing, outputs and outcomes and project milestones.

Following confirmation of the grant award all successful local authorities are requested to complete a project management update and provide updated financial forecasts, outputs and delivery milestones. The updated information will be used by DLUHC to form the baseline data for the MoU. Given the delay in the announcement of LUF awards inevitably this information will have changed. Technical advisors are currently undertaking a review and refresh of cost profiles and subsidy control for both Rutland and Melton projects.

The MoU is intended to set the framework for an effective working relationship between DLUHC and Rutland County Council as the Accountable Body in managing the capital grant funding and achieving the aspirations of the bid. The MoU sets out "the "ask" and "offer" that can be expected by both DLUHC and RCC.

The MoU is not a legally binding contract on either party and is intended to provide an understanding of how the LUF capital funding will be used. This does mean DLUHC has no binding obligation to release the funding. Equally, it allows for flexibility and anticipates a constructive and ongoing dialogue between RCC and DLUHC in the administration and delivery of the programme.

The MoU allows for it to be terminated by either party subject to written agreement. Should the Council find itself unable to fulfil the requirements of the MoU it would seek to renegotiate terms or ultimately seek to terminate the agreement.

There is no provision for clawback within the MoU.

The Council appointed external legal advisers, Pinsent Masons, to review and comment on the LUF MoU. The legal advice to the Council is included in Exempt

Appendix D.

DLUHC's Levelling Up Funds Local Authority Assurance Framework

The MoU sets out expectations in terms of monitoring, reporting and assurance. It is supported by DLUHC's Levelling Up Funds Local Authority Assurance Framework ('DLUHC's assurance framework'). This is national Government guidance for local authorities intended to provide a common approach to accountabilities for various Levelling Up funds including LUF. Appendix E includes DLUHC's Assurance Framework.

DLUHC's details 3 lines of defence.

The **first line of defence** is expected to be at the operational management level. This includes the governance arrangements, programme management approach and the project team(s). It is expected that the Chief Finance Officer (Rutland's Director of Resources and Section 151 Officer) will provide DLUHC with the required assurance about effective delivery and management of the LUF investment.

In addition, RCC's Internal Audit will be requested to undertake periodic reviews of the LUF programme to provide assurance of effective delivery, financial management and compliance with the MoU and DLUHC Assurance Framework.

The **second line of defence** is undertaken by the Assurance and Compliance Team within DLUHC. The team will undertake a range of checks during the lifespan of the Rutland and Melton LUF Programme, on a risk and sample basis to provide additional assurance. This will be based primarily on desk-top review of performance returns, the Council's annual External Auditor report and feedback from the Area Lead Relationship Manager.

RCC will manage the programme in accordance with its normal financial controls and assurance processes. The Council and Melton already have an established and good relationship with the LUF Area Relationship Manager.

An expectation and early consideration for the Rutland and Melton LUF programme will be the development of an evaluation framework. This will be an additional tool to demonstrate the impact and performance of the overall programme and individual projects.

The **third line of defence** is the Government's Internal Audit Agency reviewing DLUHC's approach and management of Levelling Up Funds.

The DLUHC Assurance Framework is intended to provide Treasury and Government with assurance about the effective use of public funds and capital investment. It can also provide assurance to Council about the rigour and robust approach that is required to manage the LUF programme effectively and deliver the outcomes that will benefit residents, businesses, and the County.

Rutland County Council and Melton Borough Council 'Back to Back' Agreement

A 'Back to Back' agreement between RCC as Accountable Body and Melton

Borough Council as grant recipient has been drafted by the Council's external legal advisers.

This 'Back to Back' agreement apportions responsibilities, risk and financial and delivery obligations. Melton will be wholly responsible managing, delivering, reporting and administering the projects within its boundaries. This includes responsibility for managing cashflow and any necessary grant agreements required with third parties.

This agreement limits Rutland County Council's responsibilities to fulfilling the MoU requirements for the effective management of the programme as Accountable Body function and delivering the outcomes of the Rutland-specific projects.

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Department for Levelling Up,
Housing & Communities

Levelling Up Funds Local Authority Assurance Framework

**Incorporating
Levelling Up Fund Assurance
and
Towns Fund Assurance and Performance
Management**

Contents

Contents.....	2
Introduction	4
Principles.....	4
Alignment with the Accounting Officer Systems Statement	4
Relationship Management.....	5
Assurance.....	5
Performance Management.....	7
LUF Local Authority Grant Recipients	8
Local Authority Memorandum of Understanding and Grant Determination Letter	8
Accountability and Assurance.....	9
First Line of Defence - Chief Finance Officer.....	9
Second Line of Defence – DLUHC	10
Risk-Based Approach	10
Triggers.....	11
Risk-Based Deep Dive Selection.....	12
Sample-Based Deep dives.....	12
LUF Assurance Decision Group	12
Deep dive Process.....	13
Procurement Testing.....	15
Governance Review	15
Counter Fraud.....	16
State Aid and Subsidy Control.....	16
Local Authority meeting(s).....	17
Deep Dive Outcome	17
Third Line of Defence - Government Internal Audit Agency.....	17
Grant Offer Letter and Agreements.....	18
Financial Arrangements	19
Accountability and Assurance.....	19
First Line of Defence - Chief Finance Officer.....	19
Compliance Checks	20
Second Line of Defence - DLUHC	20
Risk-Based Approach	20

Triggers.....	21
Risk-based Deep dive Selection	22
Sample-Based Deep Dives.....	22
Towns Fund Decision Group	22
Deep dive Process	23
Procurement Testing.....	25
Governance Review	25
Counter Fraud	26
Subsidy Control	26
Local Authority meeting(s).....	27
Deep Dive Outcome	27
Third Line of Defence - Government Internal Audit Agency.....	27
Towns Fund Performance Management	28
Engagement with DLUHC.....	28
Payments and Grant Determination.....	29
Project Adjustment Requests	30
Annex A - Chief Finance Officers across Devolved Nations	31
Annex B: LUF Assurance Timeline.....	32
Annex C – Towns Funds Annual Assurance Cycle	33

Introduction

- 1) The Levelling Up Fund Local Authority Assurance Framework (this Framework) provides information to grant recipients, setting out the requirements for the following funds:
 - Levelling Up Fund (LUF) - Assurance
 - Town Deals Fund – Assurance and Performance Management
 - Future High Streets Fund (FHSF) – Assurance and Performance Management
 - Future local growth funds where relevant
- 2) This Framework establishes a common approach to how the Department for Levelling Up, Housing and Communities (DLUHC) will assure the funds in scope and describes the accountability in line with each fund's delivery model. The assurance cycle provides confidence to the DLUHC Accounting Officer and the Senior Responsible Officer for each fund.
- 3) In addition to the assurance, the performance management approach for Town Deals and FHSF is set out in this Framework in the Towns Fund section, providing details of the process and expectations for local authorities as grant recipients and as Accountable Bodies for Town Deals.
- 4) The specifics for each fund are set out in subsequent sections of this document.
- 5) In setting out the requirements of grant recipients, this Framework sets standards in line with the principles in Managing Public Money (MPM):
 - i) **Regularity:** compliant with the relevant legislation and wider legal principles such as Subsidy Control and procurement law, delegated authorities and following the guidance in MPM.
 - ii) **Propriety:** meeting high standards of public conduct, including robust governance and the relevant parliamentary expectations, especially transparency.
 - iii) The need for efficiency, economy, effectiveness, and prudence in the administration of public resources, to secure **value for public money**
- 6) DLUHC will review annually this Framework and how it is operating in practice.¹ The Department will update this Framework as necessary and communicate these changes to grant recipients.

Principles

Alignment with the Accounting Officer Systems Statement

- 7) [DLUHC Accounting Officer System Statement² \(AOSS\)](#) Outlines the accountability relationships between the Department, Mayoral Combined Authorities, local authorities, and unitary

¹ There may be occasions where the Department reviews the Framework more frequently if required.

² The Accounting Officer's System Statement will be reviewed in 2022 to incorporate funds such as Levelling Up Fund and Town's Fund.

authorities. The steps we are taking through this Framework are complementary to and build on the checks and balances within the AOSS.

- 8) Local authorities in England operate according to the Local Government Accountability System.³ Alongside this, local authorities in England should operate according to the Local Growth Fund Accountability System. Both systems are outlined in the AOSS. These systems provide assurance to the DLUHC Accounting Officer, Government, and the public on how funding routed through local government is allocated. It ensures that there are robust local systems in place so that resources are spent with regularity, propriety, and value for money.
- 9) This document does not replace any of the checks and balances prescribed by the existing accountability system and local authorities' statutory responsibilities. The purpose of this document is to provide additional clarity on Government's expectations of all grant recipients in scope of this Framework.

Relationship Management

- 10) Engaging with grant recipients, including local authorities is central to the successful delivery of programme objectives. DLUHC engages with local authorities in a variety of ways to support performance management and assurance, and to bring together data and knowledge in a structured approach.
- 11) Area Teams form the main point of contact for local authorities and lead the engagement for DLUHC programmes across a range of communications, both formal and informal.

Assurance

- 12) This Framework provides DLUHC, His Majesty's Government (HMG) more widely, stakeholders and the public with the necessary assurances that grant recipients have the policies and processes in place to ensure the robust stewardship of public money.
- 13) In accordance with the Cabinet Office Government Functional Standards⁴, this Framework sets out how the assurance for each programme provides three separate and defined levels of assurance, referred to as the **three lines of defence**.
- 14) The **first line of defence** should be delivered at an operational management level where the management responsibility is owned.
- 15) Where the grant is awarded via a non- Grant Funding Agreement (GFA) route, and the recipient is a local authority, the first line of defence is provided by the local authority and is the responsibility of the Chief Finance Officer (Section 151/127/114 in England & Wales, Section 95 Scotland, and Section 54 in Northern Ireland) as they act at an operational management level within the local

³ Note that the Local Government System Statement cross-references system statements for other departments that fund Local Authority spending, which also apply to decision-making authorities.

⁴ <https://www.gov.uk/government/publications/grants-standards>

authority in receipt of the funding (Annex A). The Chief Finance Officer is therefore responsible for the delivery of HMG investment, through the agreed projects, with propriety, regularity, and value for money. In addition, local authorities are subject to their own independent external audits for their financial statements, which can include the use of grants.

- 16) DLUHC recognise the wider legislation and regulations governing local authorities throughout the United Kingdom and as such seeks a proportionate approach to assurance. The assurance and performance management does not duplicate the statutory duties and rules which require local authorities to use public money effectively and responsibly.
- 17) The assurance letter and statement of grant usage provided by DLUHC to local authorities will be used to secure evidence of the first line of defence. The Chief Finance Officer will be required to provide written confirmation that they have undertaken to actively apply all the necessary checks to ensure proper administration of its financial affairs regarding the funding programme, particularly in respect to financial administration and transparency of governance.
- 18) The **second line of defence** should be independent of the first line activity and should monitor the management of the risk to ensure that the first line has been appropriately constructed and is delivering as intended.
- 19) For programmes within scope of this Framework, where local authorities provide the first line of defence as demonstrated via the Statement of Grant Usage and Assurance Review Form, the second line of defence will be undertaken by DLUHC, to secure independent review of the first line activity.
- 20) This Framework sets out in each relevant programme section how DLUHC expects the second line of defence to be carried out.
- 21) Local authorities will be required to engage with and provide supporting information in response to further assurance activity undertaken by DLUHC and other Departments.
- 22) The **third line of defence** should be undertaken by independent audit or an independent body to secure an *'objective opinion on the effectiveness of governance, risk management and internal controls.'*⁵ (This is inclusive of the second and first lines of defence.)
- 23) In respect of this Framework, the Government Internal Audit Agency (GIAA) will provide independent risk-based assurance over the design and operation of controls within the arrangements for the Levelling Up Fund, Town Deals Fund, Future High Streets Fund, and other funds as may be agreed – as operated within the DLUHC – and, if required, other government departments.

⁵ Grant Functional Standards – GovS 0015: Grants. Version 2.0 Issues 21 July 2021.
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1004659/Final-CO_Govt_Functional_Std_GovS015_WEB.pdf

- 24) The scope and timing of this independent assurance will be discussed and agreed with the DLUHC Audit and Risk Assurance Committee, the Accounting Officer, and the respective SROs within the programme(s) of each Department.
- 25) The Government Internal Audit Agency (GIAA) will liaise with internal audit teams operating within Devolved Administrations as appropriate.

Performance Management

- 26) Funding is approved based on the forecast outcomes, milestones, and financial profiles, therefore grant recipients will be expected to manage and deliver projects in line with these and report actual position against forecasts. This will provide a quantitative overview of the performance of each place against their key indicators and metrics.
- 27) All the Funds within this Framework will implement a range of performance management activities to ensure that projects are delivered utilising the highest standards of financial probity and good governance. For example, it is expected that this data will be used to assess the assurance and performance management processes, and in turn feed into all levels of evaluation. The ongoing analysis of the data will thus enable lessons to be learned and allow for more effective decisions to be made as the programme progresses.

Levelling Up Fund Assurance

- 28) The Levelling Up Fund (LUF) is jointly run by the DLUHC and the Department for Transport (DfT), collectively referred to in this section as ‘the Departments.’ Each department has an Accounting Officer, responsible for LUF spend and performance within their department and these responsibilities are set out within the [Accounting Officer System Statements \(AOSS\)](#) for DLUHC and DfT. The lead department for each LUF project will be based on which investment theme the project is most closely aligned to. The LUF-specific assurance activities outlined in this section apply to LUF projects where the lead department is DLUHC.
- 29) For projects where the DfT is the lead department, a separate assurance framework sets out the appropriate requirements.
- 30) The LUF will provide funding to projects across the UK (United Kingdom). In England, Scotland and Wales, only local authorities may apply for funding. In Northern Ireland, applications may be submitted by a range of local applicants, including but not limited to local authorities, businesses, and community organisations. Further information can be found in the [LUF Prospectus](#).
- 31) The following sections apply to local authority grant recipients across the UK delivering projects in LUF. Arrangements for non-local authority grant recipients in Northern Ireland will be set out in a separate document.

LUF Local Authority Grant Recipients

Local Authority Memorandum of Understanding and Grant Determination Letter

- 32) Following notification of a successful application, local authorities will be asked to complete a project management update, providing updated financial forecasts, outputs, and delivery milestones. The updated information will be used to form the baseline data in the Memorandum of Understanding (MOU) to be issued to all local authority grant recipients.
- 33) The MOU will set out what is expected of grant recipients in relation to the grant, including but not be limited to the following:
- Eligible expenditure
 - Reporting
 - Accountability and Assurance
 - Monitoring and Evaluation
 - Branding and Communication
 - Performance Management
- 34) A grant determination letter will be issued to local authorities to accompany each payment. The letter will set out the total LUF payment to each local authority (this may cover more than one

project), and confirm the payment is made subject to the United Kingdom Internal Market Act 2020 powers under Section 50.

Accountability and Assurance

- 35) The LUF assurance model follows the described three lines of defence approach set out in paragraphs 12 – 27 of this Framework.
- 36) The Department recognises that local authorities within the United Kingdom have a variety of statutory duties relating to how their financial affairs are administered to how decision-making and governance is conducted by the local authority in each nation. The assurance approach for LUF utilises these requirements and builds upon them with second line of defence assurance activity using a risk-based approach and sample testing.
- 37) The assurance activities described below (paragraphs 41 – 95) form the assurance cycle, an annual process with six-monthly elements to support payments. The assurance cycle supports the three lines of defence required to provide the necessary assurance of the LUF programme to the Accounting Officer.
- 38) Details of the timetable for the assurance cycle including reporting deadlines are provided in **Annex B**.

First Line of Defence - Chief Finance Officer

- 39) Local authorities have oversight of operational management and are therefore responsible for providing the assurance of appropriate use of LUF grants as a first line of defence. The assurance activity within the first line of defence seeks to establish that the LUF grant is delivered with propriety, regularity, and value for money.
- 40) The Chief Finance Officer of the local authority should ensure that their oversight of the proper administration of LUF financial affairs continues throughout the year and lifespan of the MOU requirements.
- 41) To secure the first line of defence, the Chief Finance Officer will be required to complete two returns to DLUHC; the statement of grant usage is to be completed on a six-monthly basis and requires the Chief Finance Officer to:
- Provide details of the checks that the Chief Finance Officer or deputy has taken to assure themselves that the local authority has in place the processes that ensure proper administration of financial affairs relating to the LUF projects.
 - Respond directly to questions addressing the governance and transparency for aspects of LUF grant management including, procurement, conflict of interest, Subsidy Control and State Aid, counter fraud, and risk management.
- 42) The Chief Finance Officer is required on an annual basis to complete and return the assurance letter template, reflecting whether, having considered all the relevant information, they are of the

opinion that the LUF grant is being properly administered; and if not, information about their main concerns and recommendations as how best to mitigate those risks.

- 43) The assurance letter is addressed to the Permanent Secretary in their role as DLUHC Accounting Officer and submitted to DLUHC.

Second Line of Defence – DLUHC

- 44) The second line of defence is undertaken by the Assurance and Compliance Team within DLUHC. This reflects information provided by the Chief Finance Officer and a range of sources of assurance and performance intelligence.
- 45) Through the LUF assurance cycle the Assurance and Compliance Team will undertake a range of checks during the lifespan of the project(s), on a risk and sample basis, to secure assurance at the second line of defence. These checks are described below (paragraphs 72 – 95.)
- 46) The assurance activity occurs in parallel with local authorities reporting performance information through the submission of qualitative and quantitative reports using a template provided by DLUHC and set out in separate guidance. The performance review outcomes are considered alongside assurance process outcomes and together inform payment schedules.
- 47) Intelligence will be gathered from across the Assurance and Compliance Team and from Area Leads, to provide a holistic understanding of the assurance secured by the local authority for the LUF projects and this will occur throughout the second line of defence process.
- 48) The DLUHC Assurance and Compliance Team will complete a review of the information provided by the Chief Finance Officer and Senior Responsible Officer (SRO) / Chief Executive on a six-monthly basis, identifying areas of concern raised by the local authority or based on the information provided. This will form the starting point for the risk-based approach detailed below and inform decisions on payments. Financial and delivery, performance information will also feed into payment considerations.

Risk-Based Approach

- 49) LUF follows a risk-based approach to the second line of defence, with Deep dives being undertaken based on a suite of risk factors and random sampling.
- 50) The devolved nature of LUF is supported by the level of assurance secured at the first line of defence from the Chief Finance Officers within local authorities, and with the intention of focusing the assurance activity and resulting support where it is most needed. This supports both the outcomes of the programme and the ability to provide assurance to the Accounting Officer.

Triggers

51) The suite of risk indicators for the LUF are set out in the table below, the risk information will be used to identify those Local Authorities (LA) where assurance and performance concerns are significant enough to trigger a deep dive.

Area of Risk	Method of Securing Risk Information	Threshold
Chief Finance Officer	Chief Finance Officer communicates concern via: <ul style="list-style-type: none"> Assurance letter Statement of grant usage 	Chief Finance Officer, flags issues and/or responds to questions set out in the assurance letter and or statement of grant usage covering topics including conflict of interest registers, risk registers, procurement, governance, and Subsidy Control.
Financial Performance	Six-monthly performance returns reviewed and resulting Red, Amber, Green (RAG) rating provided by the LUF Delivery Team.	Financial performance for the LA's LUF project is 40% off quarterly profile for two consecutive quarters.
Delivery Performance	Deliverability review completed twice a year by the LUF Delivery Team.	Deliverability is RAG rated red.
Area Lead Intelligence	Area Lead relationship management intelligence, requested by Assurance and Compliance Team.	Judgement based on nature of the intelligence concerns including procurement / governance /performance
External Auditor's Annual Report	Local authority's latest certified accounts published on their website.	Judgement based on nature of the intelligence
Assurance Intelligence	Intelligence collated from across the Assurance and Compliance Team feeding in intelligence from other funding programmes as relevant.	Judgement based on nature of the intelligence concerns re procurement / governance /performance

52) The threshold of **40%** off the quarterly profile for two consecutive quarters for financial performance reflects several considerations:

- Performance thresholds utilised in previous growth programmes,
- Forecasts provided at application,
- Inception meeting intelligence.

53) DLUHC used this information to establish a threshold designed to prevent performance issues becoming systemic. A lower threshold would result in larger volumes of local authorities identified for a deep dive based on financial performance alone, and the risks may not be addressed by a deep dive.

- 54) The LUF Delivery Team will look to address performance issues through the regular Area Lead engagement with the local authority and performance management. The aim is to reduce the number of local authorities having two consecutive quarters at 40% off-profile, reducing the likelihood of a deep dive Review. The LUF performance management guidance is provided to local authorities by the LUF Delivery Team and managed by them.
- 55) LUF seeks to provide greater autonomy to local authority grant recipients and as most grant recipients are local authorities, the two-tier risk intervention approach supports a level of risk-tolerance whilst maintaining safety checks through which performance management and assurance issues can be identified.

Risk-Based Deep Dive Selection

- 56) To establish whether a local authority requires a deep dive, the combined trigger information (paragraph 51), will be reviewed by the Assurance and Compliance Team on a six-monthly basis ahead of payments or as required. Proposals will then be made to the LUF Assurance Decision Group (LDG), for a final decision (details of the LDG are set out at paragraph 65). A deep dive may be triggered by the identification of a single risk or multiple risks, each deep dive will therefore be based on a judgement of whether the totality of risks is of sufficient concern.
- 57) Ongoing intelligence from the LUF Delivery Team will be shared at the LDG and the discussions aim to establish whether any areas of concern will be rectified within the next quarter. Where sufficient confidence is secured, the local authority may be removed from the deep dive list.
- 58) The LUF Delivery Team will carry out performance management through quarterly reporting and monitoring of active mitigations. Where underperformance concerns remain unresolved the local authority and associated projects will be considered at the next six-monthly review. The failure to resolve performance issues will be a factor when compiling the deep dive risk triggers.
- 59) In some instances, such as regional/national material shortages or seasonal construction delays, certain issues linked to financial and/or delivery performance may be rectified without requiring a deep dive. The LUF Delivery Team will however exercise discretion when submitting recommendations to the LDG, as to whether a deep dive is required.

Sample-Based Deep dives

- 60) Sample-based deep dives are included within this Framework and will be undertaken using a random sampling tool for selection.
- 61) Sample lists will be established on an annual basis for the LDG to record before deep dives take place.
- 62) The Assurance and Compliance Team aims to conduct at least a 5% random sample per year, whilst reserving the right to suspend the sample-based deep dives where the number of triggered deep dives are of a sufficiently high volume to give confidence across the cohort.

LUF Assurance Decision Group

63) The LUF Assurance Decision Group (LDG) will take informed decisions on which local authorities will receive a trigger-based deep dive, and review local authorities proposed for removal from the deep dive list. The LDG will also receive the post deep dive reports and ensure the implementation of any required action(s) led by the appropriate DLUHC Team(s) in conjunction with the local authority.

64) The LDG will be comprised of:

- Assurance and Compliance Head
- LUF Delivery Head
- LUF Assurance and Compliance Team Lead(s)
- LUF Delivery Team Lead(s)
- Further Assurance and Compliance and LUF Delivery Team representation as required.
- Area Lead representation as required.
- Cross-departmental stakeholders including Department for Transport and other representation as required.

65) Depending on the information being discussed, the LUF Delivery Team representative will be required to set out a proposal for the removal of a local authority from the deep dive list and/or the Assurance and Compliance representative will provide details of the triggers raised and the proposed rationale for a deep dive.

66) The LDG will be scheduled to meet regularly with Terms of Reference (ToR) to:

- Agree the risk-based deep dive list of local authorities
- Agree sample-based deep dive list as required
- Receive deep dive reports, agree remedial action, and recommend percentage payments
- Cover other topics as required relating to LUF assurance
- Provide reporting within the governance structure.

67) The LDG will agree the list of local authorities for a deep dive, based on the risk indicators and intelligence. This can be instigated ad hoc as required, where the Area Lead, or cross-funding programme intelligence raises concerns, between the six-monthly reporting periods.

68) For local authorities in England only, the LDG will consider intelligence from the DLUHC Local Government Accountability (LGA) Team, highlighting areas of concern, alongside risk indicators and LUF Delivery Team mitigation information.

69) The outcome of the LDG will be the deep dive list.

Deep dive Process

70) The purpose of a deep dive is to enable the Assurance and Compliance Teams to review the governance, decision making, and delivery associated with the LUF funding. deep dives will, through a series of checks, secure assurance that the grant recipient has appropriate and effective systems in place for procurement, decision-making and financial management, Subsidy Control and State Aid (where appropriate) and counter-fraud.

71) Once a local authority has been confirmed for a deep dive, the following actions will be undertaken, and each stage is set out in detail in the subsequent sections:

- a) Letter sent to the local authority via email informing them of the deep dive, this will include:
 - i) Where a local authority has more than one project the letter stipulates the project(s) in scope of the deep dive
 - ii) Scheduling of meeting(s) with the local authority representatives
 - iii) Requesting evidence from the LA to support:
 - Sample testing of procurements including LA LUF procurement register
 - Review of decision-making and governance
 - Counter Fraud actions
 - Subsidy Control and State Aid practices – as appropriate
- b) Desk-based checks completed to identify specific topics for discussion and to provide questions for the local authority to respond. Information utilised during the desk-based checks includes:
 - Inception visit record and deliverability report(s) from LUF Delivery Team
 - Six-monthly and quarterly reporting outcomes presented by the LUF Delivery Team, resulting from the local authority reporting.
 - Data from assurance letter and statement of grant usage
 - Local Government Accountability Assurance intelligence – England
 - Other Funds delivery and assurance intelligence
- c) Sample test procurements for regularity and identify any areas of concerns for discussion with local authority.
- d) Review governance arrangements and identify any areas of concern for discussion with local authority.
- e) Review Subsidy Control and State Aid practices and identify key concerns for local authority discussion, as necessary.
- f) Actions **b** to **e** to be complete prior to the local authority meeting, to provide specific questions, shared in advance with the authority and for discussion during the meeting.
- g) The duration of the review is dependent on the complexity of issue/s identified and the number of projects in the scope of the deep dive.
- h) Meeting(s) with local authority which will be virtual or face to face as required/agreed.
- i) Attendees at deep dive meeting: -
 - Local authority day-to-day LUF project lead(s)
 - Chief Finance Officer or their deputy, depending on the level of concern and value of project(s)
 - Procurement leads as appropriate, depending on the level of concern and nature of the procurements
 - LUF Assurance and Compliance Team officer responsible for leading the review
 - Area Lead, LUF Delivery Team representative and or other representatives as appropriate
- j) Produce finding(s) and recommendations report and moderate within the Assurance and Compliance Team.
- k) LDG agrees course of action based on the report recommendations.
- l) Final report is provided to the local authority setting out actions and support as required.

Procurement Testing

- 72) A procurement review will be undertaken on a random sample of the LUF procurements and where an issue or concern has been identified, to:
- Provide DLUHC, HMG and stakeholders with assurance that the appropriate public procurement regulations have been followed.
 - Seek assurance that the local authority has appropriate and effective systems in place for procurement.
 - Identify and spot any indicators of non-compliance/high risk
- 73) A sample of two procurements will be reviewed, alongside the relevant procurement regulations to ensure the following are being adhered to:
- Public procurement thresholds and appropriate procurement route has been taken in awarding contracts.
 - Advertising where required has been used including but not limited to the publication of notices for awarded contracts funded by the grant.
 - Local authority LUF procurement register is maintained.
 - Conflicts of interest for procurement is appropriately managed via the conflict-of-interest policy, register and declarations.
 - Local authority procurement policies and processes are being followed and are in line with the relevant contract regulations.
- 74) Reflecting the UK-wide nature of LUF, the following procurement regulations and or any subsequent regulation will be utilised as appropriate:
- [Public Contract Regulation 2015](#)
 - [Utilities Contract Regulation 2016](#)
 - [Concession Contract Regulation 2016](#)
 - [Public Contracts \(Scotland\) Regulations 2015](#)
- 75) To support the procurement review, the following information will be required, however this list is not exhaustive, and the information required, will be dependent upon the nature of the procurements checked:
- Latest version of LUF procurement register
 - Documentation as required, based on information in the procurement register, to demonstrate appropriate procurement process has been followed and contract(s) advertised in line with relevant contract regulations.

Governance Review

- 76) The review of LUF governance will take into consideration the structures within which LUF decisions are taken, this includes engagement with appropriate scrutiny practices, to ensure that they are in line with the local authorities' own policies and offer both regularity and propriety.
- 77) Adherence to the MOU paragraph 9.3 regarding either the forming of a LUF Board or the incorporation of LUF within an existing and appropriate governance structure, will form a core of the review.

78) Evidence of active scrutiny of LUF project(s) in line with the local authority's overview and scrutiny policy will be reviewed.

79) To enable the review, local authorities will be required to provide:

- Terms of Reference for the LUF Board or board within which LUF sits
- Governance structure diagram including LUF arrangements
- Agenda, papers, and minutes of the two most recent meetings of the LUF Board / board when LUF sits
- Where relevant: agenda, appropriate papers and minutes of up to two scrutiny committee meetings where LUF activity was under consideration. This is **only** required, if LUF activity has had reason to go to scrutiny committee, when following the local authorities own processes
- The local authority's overview and scrutiny policy
- Conflict of interest policy and register of Interests – relevant to LUF, this may be the local authority policy and register, or specific to LUF
- Risk policy, this may be the local authority policy and register, or specific to LUF
- Financial policy or appropriate document describing delegation limits and separation of duties, relevant to LUF, this may be the local authority policy, or specific to LUF

Counter Fraud

80) Whilst the role of the Assurance and Compliance Team is not to specifically investigate suspected fraud within LUF projects and practices, the deep dive process will include ensuring counter fraud actions are active for the projects selected for a deep dive.

81) The deep dive will look for evidence that active conflict of interest and risk management measures are in place within LUF governance. These two aspects support counter fraud measures and will be considered alongside the authority's counter fraud policy.

82) Documents to be provided by the local authority include:

- Local authority counter fraud policy (to include a fraud referrals process)
- Updated conflicts of interest register
- Updated gifts and hospitality register
- Updated fraud risk register (template in MOU)

The document may be the local authorities overarching policies and procedures which cover the LUF activities, or documents specific to the LUF activities.

83) Should the deep dive identify suspected fraud this will be initially referred to the Assurance Counter Fraud Officers.

State Aid and Subsidy Control

84) Local authorities are responsible for managing both State Aid and Subsidy Control as appropriate for their LUF projects, however DLUHC will, during the deep dive process, perform checks on the approach taken by the local authority, as appropriate.

85) The checks will cover, but not be limited to checking that the local authority has, carried out their stated processes, their control of the projects operated by third parties, and assurance of

the separation of functions where projects are operated in-house, and ensuring that adequate in-house checks are in place.

- 86) A local authority should expect to provide State Aid and or Subsidy Control policy documents and documents reflecting the implementation of their respective controls when requested.

Local Authority meeting(s)

- 87) Meeting with key representation as set out at 73.i, provides for any concerns identified through the Deep dive review activities to be discussed and mitigations to be presented. The meeting(s) support(s) the development of potential remedial action including project adjustments and addressing any procurement process concerns.

- 88) The intended areas of focus will be shared ahead of the meeting(s) with the local authority attendees within an agenda as this will encourage a proactive discussion, the identification of supporting information and planning for remedial action(s) as required.

Deep Dive Outcome

- 89) The completion of a deep dive review will enable the Assurance and Compliance Team to produce a report with actions and outcomes for discussion and agreement with the LDG and to agree any remedial action(s).

- 90) Where remedial action is required, one or more of the following actions may be utilised to effect the necessary changes:

- A formal Project Adjustment Request (PAR)
- Payments being paid in stages or paused whilst remedial action is undertaken or until remedial action secures the improvement required
- Procurements may be removed if they are identified as non-compliant with regulations.
- LUF specialist support deployed to provide tailored expertise across procurement, delivery, commercial functions, and assurance
- Recovery plans formulated by the grant local authority and agreed by DLUHC to address any significant underperformance issues raised

- 91) Once the required remedial action has been satisfactorily implemented and evidenced to the Assurance and Compliance Team, the deep dive will be closed by the LDG, and any paused payments reinstated.

Third Line of Defence - Government Internal Audit Agency

- 92) As set out from paragraphs 22 to 25, the **third line of defence** will be carried out by the Government Internal Audit Agency (GIAA) and will take the form of a review of the activity completed by DLUHC for the second line of defence.

- 93) The GIAA will provide notice of their planned review and set out the scope and information required at that time.

Towns Fund Assurance and Performance Management

- 94) The [Future High Streets Fund \(FHSF\)](#) and [Town Deals Fund](#) are run by DLUHC and are known collectively as the Towns Fund. For the purposes of this Framework, the term Towns Fund refers to both FHSF and Town Deals.
- 95) FHSF was open to local authorities in England, with 72 local authorities in England being successful in their funding applications by December 2020.
- 96) On 6 September 2019, 101 towns in England were invited to develop proposals for a Town Deal as part of the Towns Fund.
- 97) Town Deal Boards are responsible for producing Town Investment Plans, including putting forward suitable projects which align with the objectives of the Towns Fund, and for overseeing the delivery and monitoring of those projects.

Grant Offer Letter and Agreements

- 98) For FHSF a Memorandum of Understanding (MOU) was signed between DLUHC and the local authority, as the grant recipient, which sets out the terms, principles and practices that will apply to the working relationship, including the allocated funding, scope, key assumptions, projected timeline, and key milestones. The MOU will be updated and signed by the parties annually.
- 99) The grant offer letter sets out the expectation of grant recipients in relation to the grant, and this includes but is not limited to the following:
- Eligible expenditure
 - Reporting
 - Accountability and Assurance
 - Monitoring and Evaluation
 - Branding and Communication
 - Performance Management
- 100) Each Town Deal is an agreement in principle between Government, the Accountable Body, and the Town Deal Board, confirmed in a Heads of Terms (HoT). The HoT is signed by the Chair of the Town Deal Board, the Accountable Body and by the Minister for Levelling Up. DLUHC will provide funding to projects across England through Accountable Bodies to Town Deal Boards
- 101) The Accountable Body is a local authority and for the purposes of this Framework, the term local authority refers to the role of the Accountable Body for Town Deal assurance.

102) Throughout the delivery period, DLUHC will liaise with the local authority on a regular basis. This may include visits to, and promotion of Towns Fund projects, in line with the communications and branding guidelines, to demonstrate the difference a project is making to the community. The local authority will also be expected to provide six-monthly reporting to enable monitoring of progress as set out in the MOU / HoT and in the [Monitoring & Evaluation \(M&E\) guidance](#).

103) DLUHC will look to make payments that correspond to the local authority's spend profile whilst being mindful of the annual budgets that have been set and the outcome of assurance reviews and performance management.

Financial Arrangements

104) The agreed funds will be issued annually as non-ringfenced grant payments under Section 31 of the Local Government Act 2003.

Accountability and Assurance

105) The Towns Fund assurance model follows the *three lines of defence* approach set out in paragraphs 12 – 27 of this Framework. A range of accountability activities will be required of the local authority, coupled with the corresponding assurance checks to form the assurance cycle detailed in paragraphs 41-95. This will provide assurance of the Towns Fund programme to the Accounting Officer.

106) Details of the timetable for the assurance cycle including reporting deadlines are provided in **Annex C** below.

First Line of Defence - Chief Finance Officer

107) Local authorities have oversight of operational management and are therefore responsible for providing the assurance of appropriate use of Towns Fund grants as a first line of defence. The assurance activity within the first line of defence seeks to establish that the Towns Fund grant is delivered with propriety, regularity, and value for money.

108) To secure the first line of defence, the Chief Finance Officer will be required to complete two annual returns to DLUHC; the statement of grant usage requires the Chief Finance Officer to:

- Provide details of the checks that the Chief Finance Officer or deputy has taken to assure themselves that the local authority has in place the processes that ensure proper administration of financial affairs relating to the Towns Fund projects.
- Respond directly to questions addressing the governance and transparency for aspects of Towns Fund grant management including, procurement, conflict of interest, Subsidy Control, counter fraud, and risk management.

109) The assurance letter is addressed to the Permanent Secretary in their role as DLUHC Accounting Officer and submitted to DLUHC.

Compliance Checks

- 110) Compliance checks will be completed annually by DLUHC for Town Deals. The checks review the Town Deal Board, in line with the governance and information provision requirements set out in the prospectus.
- 111) Resulting from the checks, any recommendations for action will be provided to local authorities and the Town Deal Board.
- 112) Confirmation that the actions have been addressed will be required and evidence may be requested.

Second Line of Defence - DLUHC

- 113) The second line of defence is undertaken by the Assurance and Compliance Team within DLUHC. This reflects information provided by the Chief Finance Officers and a range of sources of assurance and performance intelligence.
- 114) Through the annual assurance cycle, DLUHC will undertake a range of checks during the life span of the project(s) both on a risk and on a random sample basis, to secure assurance at the second line of defence (see paragraphs 72 – 95.)
- 115) The assurance activity occurs in parallel with local authorities reporting performance information through the submission of qualitative and quantitative reports using a template provided by DLUHC and set out in separate guidance. The performance review outcomes are considered alongside assurance process outcomes and considered together to inform payment schedules.
- 116) Intelligence will be gathered from across the Assurance and Compliance Team and from Area Leads, to provide a holistic understanding of the assurance secured by the local authority for the Towns Fund projects and will occur throughout the second line of defence process.
- 117) The DLUHC Assurance and Compliance Team will complete a review of the information provided by the Chief Finance Officer on an annual basis, identifying areas of concern raised by either the local authority or based on other information provided. This will form the starting point for the risk-based approach detailed below. Any concerns identified, will help inform payments. Financial and delivery performance information will also feed into payment considerations.

Risk-Based Approach

- 118) The Towns Fund follows a risk-based approach to the second line of defence, with deep dives being undertaken based both on a suite of risk factors and random sampling.
- 119) The devolved nature of Towns Fund is supported by the level of assurance secured at a first line of defence from the Chief Finance Officer function within the local authority, with the

intention of focusing the assurance activity and resulting support where it is most needed. This supports both the outcomes of the programme and the ability to provide assurance to the Accounting Officer.

Triggers

120) The suite of risk indicators for Towns Fund are set out in the table below, the risk information will be used to identify those local authorities where assurance and performance concerns are significant enough to trigger a deep dive.

Area of Risk	Method of Securing Risk Information	Threshold
Chief Finance Officer Statement	Chief Finance Officer communicates concern via: <ul style="list-style-type: none"> Assurance letter Statement of grant usage 	Chief Finance Officer, flags issues and or responds to questions set out in the assurance letter and or statement of grant usage, covering topics including conflict of interest registers, risk registers, procurement, governance, and Subsidy Control.
Financial Performance	Six-monthly performance returns	Financial performance for the Towns Fund projects is 40% off profile for any six-monthly return
Delivery Performance	Six-monthly performance returns	Delivery performance for the Towns Fund projects is 40% off profile for any six-monthly return
Area Lead Intelligence	Area Lead relationship management intelligence, requested by Assurance Team on an annual basis	Judgement based on nature of the intelligence Concerns re procurement / governance/performance
External Auditor's Annual Report	Local authority's latest certified accounts on their website	Judgement based on nature of the intelligence
Assurance and Delivery Intelligence	Both teams can feed in intelligence from other funding programmes as relevant.	Judgement based on nature of the intelligence Concerns re procurement / governance/performance

121) The threshold of **40%** off the quarterly profile for two consecutive quarters for financial and delivery performance, reflects several considerations:

- Performance thresholds utilised in previous growth programmes,
- Forecasts provided at application,

122) DLUHC used this information to establish a threshold designed to prevent performance issues becoming systemic. A lower threshold would result in larger volumes of local authorities identified

for a deep dive based on financial performance alone, and the risks may not be addressed by a deep dive. Reprofitting via a Project Amendment Request (PAR) can be initiated by the local authority or DLUHC and forms a part of performance management.

- 123) Through Towns Fund, DLUHC aims to provide greater autonomy to local authorities and the two-tier risk intervention approach supports a level of risk tolerance, whilst maintaining safety checks through which performance management and assurance issues can be identified.

Risk-based Deep dive Selection

- 124) Sample lists will be established on an annual basis for the Towns Fund Decision Group (TFDG) to scrutinise.
- 125) To establish whether a local authority requires a deep dive, the combined trigger information (paragraph 122), will be reviewed by the Assurance and Compliance Team and a proposal made to the TFDG for a final decision, details of the TFDG are set out at paragraph 134. It could be the case that a single risk is present, and this has sufficient concern to warrant a deep dive, or there could be multiple risks which trigger the deep dive.
- 126) If the TFDG determines a local authority could require a deep dive, this will be referred to the Towns Fund Delivery Team, which will arrange to discuss the issues with the local authority. The discussion aims to establish whether the financial and or delivery performance will be rectified within the next quarter. Where sufficient confidence is secured, the local authority may be removed from the deep dive list when considered by the TFDG.
- 127) In some instances, such as regional/national material shortages or seasonal construction delays, certain issues linked to financial and/or delivery performance may be rectified without requiring a deep dive. The Towns Fund Delivery Team will however exercise discretion when submitting recommendations to the TFDG, as to whether a deep dive is required.
- 128) In addition to the risk-based triggered deep dives, there will be a **5% random selection** made up of all local authorities to undergo deep dives; they are to be conducted in a timely manner and payments will remain unaffected unless the review identifies concerns.

Sample-Based Deep Dives

- 129) Sample-based deep dives sit within this Framework and will be undertaken using a random sampling tool for selection random sampling.
- 130) Sample lists will be established on an annual basis for the TFDG to scrutinise, before deep dives take place.
- 131) The Assurance and Compliance Team aims to conduct at least a 5% random sample per year, whilst reserving the right to suspend the sample based deep dives, where risk triggered deep dives are in sufficiently high volume, to give confidence across the cohort.

Towns Fund Decision Group

- 132) The TFDG will take informed decision on which local authorities will receive a trigger-based deep dive, and review local authorities proposed for removal from the deep dive list. The TFDG will also receive the post deep dive reports and ensure the implementation of any required action(s) led by the appropriate DLUHC Team(s) in conjunction with the local authority.
- 133) The TFDG will be comprised of:
- Head Assurance and Compliance Senior Lead
 - Head Towns Fund Senior Delivery Lead
 - Assurance and Compliance Lead
 - Towns Fund Delivery Lead
 - Assurance and Performance representation as appropriate.
 - Area Lead representation as appropriate
 - Cross department stakeholders and other representation as required
- 134) Depending on the nature of the information and triggers being discussed, the Delivery Team will be required to set out their proposal for the removal of a local authority from the deep dive list and/or the Assurance Officer will provide detail of the triggers raised and the proposed rationale for a deep dive.
- 135) The TFDG will meet regularly with Terms of Reference to support:
- Agreeing the risk based deep dive list of local authorities
 - Agreed sample based deep dive list as required
 - Receive deep dive reports and agree remedial action and percentage payments
 - Other topics as required allied to Towns Fund assurance
 - Provide reporting within the governance structure.
- 136) The TFDG will agree the list of local authorities for a deep dive, determining whether a local authority should be subject to a deep dive based on the range of risk indicators and intelligence. This can be instigated ad hoc as required, where Area Lead or cross funding programme intelligence raises concerns, between annual reporting periods.
- 137) The outcome of the TFDG will be the trigger-based deep dive list.
- 138) Ad hoc TFDG meetings may result in further local authorities being added to the deep dive list for a given period based on intelligence sourced between annual local authority reporting and performance reporting.

Deep dive Process

- 139) The purpose of a deep dive is to enable the Assurance and Compliance Team to review the governance, decision making and delivery of the Towns Fund, where concerns have been identified through the triggers or from a sample selection. deep dives will, through a series of checks, secure assurance that the grant recipient has appropriate and effective systems in place for procurement, decision making and financial management, Subsidy Control, and counter-fraud.
- 140) Once a local authority is identified and agreed for a deep dive by the TFDG, the following actions will be undertaken. Each stage is set out in detail in the subsequent sections:
- a) Letter sent to the local authority via email informing them of the deep dive, to include:

- Where the Towns Fund has both FHSF and a Town Deal the letter stipulates and identifies the project(s) in scope.
 - Scheduling of meeting(s) with the local authority representatives, including evidence from the local authority to support
 - Sample testing of procurements including local authority procurement register
 - Review of decision making and governance
 - Counter fraud actions
 - Subsidy Control
- b) Desk-based checks completed to identify specific topics for discussion and to provide questions for the local authority to respond to Information utilised during the desk-based checks includes:
- Six-monthly reporting outcomes presented by the Towns Fund Delivery Team, resulting from the local authority reporting
 - Data from Chief Finance Officer Statement and Assurance Review Form
 - Other funds delivery and assurance intelligence
- c) Sample test procurements for regularity and identify any areas of concerns for discussion with local authority.
- d) Review governance arrangements and identify any areas of concern for discussion with local authority.
- e) Review Subsidy Control practices and identify key concerns for local authority discussion, as necessary.
- f) Actions B to E to be complete prior to the local authority meeting, to provide specific questions, shared in advance with the authority and for discussion during the meeting.
- g) The duration of review is dependent on the complexity of issue/s identified and the number of projects in the scope of the deep dive.
- h) Meeting(s) with local authority, which will be virtual or face to face as required/agreed.
- i) Attendees at deep dive meeting:
- Local authority day-to-day project leads(s)
 - Chief Finance Officer or their deputy, depending on the level of concern and value of project(s)
 - Procurement leads as appropriate, depending on the level of concern and nature of the procurements
 - FHSF Assurance Officer responsible for leading the review
 - Area Lead, Towns Fund performance officer and or other representatives as appropriate
- j) Produce finding(s) and recommendations report and moderate within the Assurance and Compliance Team.
- k) TFDG agrees course of action based on the recommendations from the Assurance Officer completing the deep dive.
- l) Report is provided to the local authority setting out actions and support package as required.

Procurement Testing

- 141) A procurement review will be undertaken on a random sample of the local authority's procurements regarding the Towns Fund projects and where a high risk or an issue has been identified, to:
- Provide DLUHC, HMG and stakeholders with assurance that the appropriate public procurement regulations have been followed
 - Seek assurance that the local authority has appropriate and effective systems in place for procurement
 - Identify and spot any indicators of non-compliance/high risk
- 142) A sample of two procurements will be reviewed, if applicable alongside the relevant procurement regulations to ensure the following are being adhered to (this is not an exclusive list):
- Public procurement thresholds and appropriate procurement route has been taken in awarding contracts. Advertising (where required has been used) including but not limited to the publication of notices for awarded contracts funded by the grant and all relevant statutory obligations have been complied with
 - Local authority Procurement Register is maintained for the Towns Fund
 - Conflicts of interest for procurement is appropriately managed via the conflict-of-interest policy, register and declarations
 - Local authority procurement policies and processes are being followed and are in line with the relevant public contract regulations
- 143) To support the procurement review, the following information will be required, however this list is not exhaustive, and the information required, will be dependent upon the nature of the procurements checked:
- Latest version of procurement register showing Towns Fund procurements
 - Documentation as required based on information provided in the procurement register to demonstrate the appropriate procurement process has been followed and contract advertised in line with relevant contract regulations.

Governance Review

- 144) The review of Towns Fund governance will take into consideration the structures within which Towns Fund decisions are taken, this includes engagement with appropriate scrutiny practices, to ensure that they are in line with the local authority's own policies and offer both regularity and propriety.
- 145) Evidence of active scrutiny of Towns Fund project(s) in line with the local authority's overview and scrutiny policy will be reviewed. Core to a Town Deal review is whether the Town Deal Board has adhered to the Towns Fund prospectus and Further Guidance.
- 146) To enable the review, local authorities will be required to provide:
- Governance structure diagram including Towns Fund arrangements
 - Local authority meetings regarding Towns Fund including agenda, papers, and minutes for at least the most immediate past two meetings

- Where relevant: Agenda, appropriate papers and minutes of up to two Scrutiny Committee meetings where Towns Fund activity was under consideration. This is only required, if Towns Fund activity has had reason to go to scrutiny committee, when following the local authorities own processes.
- The local authority's overview and scrutiny policy
- Conflict of interest policy and register of Interests – relevant to Towns Fund, this may be the local authority policy and register, or specific to Towns Fund.
- Risk policy and risk register reflecting Towns Fund, this may be the local authority policy and register, or specific to Towns Fund
- Financial policy or appropriate document describing delegation limits and separation of duties, this may be the local authority policy, or specific to Towns Fund

147) In addition, for Town Deal focused deep dives the following is required:

- Terms of Reference for the Town Deal Board
- Governance structure diagram including Town Deal arrangements
- Town Deal Board papers including agenda, papers, and minutes for at least the most immediate past two meetings.

Counter Fraud

148) Whilst the role of Assurance and Compliance is not to specifically investigate suspected fraud within Towns Fund projects and practices, the deep dive process will include ensuring counter fraud actions are active for the projects selected for a deep dive.

149) The deep dive will look for evidence that active conflict of interest and risk management measures are in place within Towns Fund governance. These two aspects support counter fraud measures and will be considered alongside the authority's counter fraud policy.

150) Documents to be provided by the local authority include:

- Counter fraud policy (to include fraud referrals process)
- Updated conflicts of interest register
- Updated gifts and hospitality register
- Updated fraud risk register

The document may be the local authorities overarching policies and procedures which cover the Towns Fund activities, or documents specific to the Towns Fund activities.

151) Should the deep dive identify suspected fraud this will be initially referred to the Assurance Counter Fraud Officers.

Subsidy Control

152) Local authorities are responsible for managing Subsidy Control for the Towns Fund projects, however DLUHC will, during the deep dive process, perform checks on the approach taken by the local authority.

153) The checks will cover, but not be limited to, checking that the relevant local authority has carried out their stated processes, their control of the projects operated by third parties, and

assurance of the separation of functions where projects are operated in house and ensuring that adequate in-house checks are in place.

- 154) A local authority should expect to provide their Subsidy Control policy documents and documents reflecting the implementation of their controls.

Local Authority meeting(s)

- 155) Meeting with key representation as set out at 142.i, provides for any concerns identified through the deep dive review activities to be discussed and mitigations to be presented. The meeting(s) support(s) the development of potential remedial action including Project Adjustments and addressing any procurement process concerns.

- 156) The intended areas of focus will be shared with the local authority attendees ahead of the meeting(s) as this will encourage a proactive discussion, the identification of supporting information and planning for remedial action(s) as required.

Deep Dive Outcome

- 157) The completion of a deep dive review will enable the Assurance and Compliance Team to produce a report with actions and outcomes for discussion and agreement with the TFDG, to secure any remedial action, as necessary.

- 158) Where remedial action is required, one or more of the following actions may be utilised to secure the necessary changes:

- A formal Project Adjustment Request
- Payments being paid in stages or paused whilst remedial action is undertaken or until remedial action secures the improvement required.
- Procurements removed if they are identified as non-compliant with regulations.
- Specialist support deployed to provide tailored expertise across procurement, delivery, commercial functions, and assurance.
- Recovery Plans formulated by local authority and agreed by DLUHC to address any significant underperformance issues raised

- 159) Once the required remedial action has been satisfactorily implemented and evidenced to the Assurance Team, the report will be determined as closed by the TFDG and any suspended payments, shall be reinstated.

Third Line of Defence - Government Internal Audit Agency

- 160) As set out from paragraphs 22 to 25, the **third line of defence** will be carried out by the Government Internal Audit Agency (GIAA) and will take the form of a review of the activity completed by DLUHC for the second line of defence.

- 161) The GIAA will provide notice of their planned review and set out the scope and information required at that time.

Towns Fund Performance Management

162) The local authority will provide regular project, financial, and risk reporting to DLUHC, in such a format that DLUHC will provide, demonstrating expenditure of the previous funding and that outputs and outcomes are being met, in line with the approved application.

163) This information will be taken into consideration by DLUHC before subsequent annual payments to the local authority are finalised and paid. DLUHC may make appropriate adjustments to payments or withhold payments where there are significant concerns over delivery.

Engagement with DLUHC

164) Regular meetings with local authorities and Towns Fund Delivery Support Managers form the basis of local authority engagement with DLUHC, including the Towns Fund programme performance, encompassing areas of concern and strategic issues.

165) Each place has a point of contact within DLUHC which should be used in the first instance for any Towns Fund related queries. Further support from the Towns Fund Delivery Team will be drawn into conversations with local authorities where required.

166) Local authorities will provide six monthly reporting using an Excel template designed to report progress against baseline data agreed in the MOU and the Monitoring and Evaluation (M&E) plan. The template will request six-monthly updates on:

- Financial expenditure on Towns Fund activity within the reporting period and forecasts for future quarters
- Committed contractual expenditure
- Progress against delivery plans
- Mitigating and/or identifying risks
- Identifying opportunities for publicity activity
- Achievement against output targets
- Achievement against outcome targets

167) The table below sets out the reporting periods for Towns Fund.

Reporting periods	Report Due Date	Information type	Anticipated grant payment date (incomplete submissions at due date will impact timing of payment)
Up to March 22	June	Six-monthly	No payment
Apr – Sept 22	December	Six-monthly	April 23 – Towns Fund This will be the final payment for FHSF places
Oct 22 – Mar 23	June	Six-monthly	No payment

Apr 23 - Sept 23	December	Six-monthly	April 24 – Town Deals
Oct 23 – March 24	June	Six-monthly	No payment
Apr 24 – Sept 24	December	Six-monthly (Town Deals)	Tbc – Town Deals
Oct 24 – March 25 25	June	Six-monthly (Town Deals)	No Payment

Payments and Grant Determination

- 168) The first payment will be made after the grant recipient and DLUHC have signed the MOU or HoT and submitted a Summary Document, for Town Deals (including a M&E plan) and DLUHC is satisfied
- 169) Subsequent payments will be made on an annual basis.
- 170) The value of the payments will be based on several factors including:
- The expenditure profiles submitted by local authorities and agreed by DLUHC
 - Progress against delivery plans
 - Profile adjustments provided by the local authority, to reduce the amount required for the financial year, below that originally profiled.
 - Assurance and performance management review outcomes
- 171) Future years expenditure will be confirmed once the quantum of budget transferring from one financial year to the next, has been confirmed through the annual supplementary estimate process.
- 172) Payment will be subject to the combined performance and assurance activity. This requires satisfactory progress against the expenditure profiles and delivery plan, set out in the MOU and will be informed by the outcome of engagement via the annual review which considers:
- Six-monthly M&E and performance monitoring returns
 - Review meetings between Delivery Support Managers, Towns Fund Delivery team and the local authority
 - Town RAG rating (informed by reviews/returns)
 - The outcome of the assurance process
- 173) Payments could be partially or wholly deferred or stopped during a period of slippage in project delivery, i.e., missing a key milestone or falling significantly behind the expenditure profile. Should slippage occur, DLUHC will work with the local authority with the aim of bringing the project back on track, so that payments may be resumed. A Project Adjustment Request may be appropriate.

Project Adjustment Requests

- 174) The project adjustment process will be available for local authorities to request a change to the project specific details set out in the MOU or HoT.
- 175) For Town Deals, the Accountable Body with the Town Deal Board, may take delegated decisions if they are within confines of the Project Adjustment Requests criteria, provided to all Accountably Bodies, as a separate performance information update. Outside of scope of the delegated approval process, requests will need to be made to DLUHC for approval.
- 176) DLUHC may also identify a need for a project adjustment as part of monitoring progress. All project adjustments will be subject to review and approval by DLUHC before changes can be agreed.
- 177) As appropriate, local authorities should notify their named Towns Fund contact if they believe a project adjustment is required for DLUHC decision, keeping their Area Team contact informed. Project adjustments may also be a recommended outcome from a deep dive or six-monthly payment review and may result in the withholding of a whole or part of a payment until such time as the agreed remedial action has been implemented.

Annex A - Chief Finance Officers across Devolved Nations

DLUHC can implement minimal first level of controls, due to the obligations already imposed on Local Authority Chief Finance Officers (CFO) under the following powers.

England	Local Authority Chief Finance Officer (S151 Officer)	Section 151 Local Government Act 1972 'Requires local authorities to make arrangements for the proper administration of their financial affairs and appoint a CFO to have responsibility for those arrangements'
Greater London Authority	Executive Director of Resources	Section 127 of the GLA (Greater London Authority) Act 1999. The Executive Director of Resources is responsible for the preparation of the Authority's statement of accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 (the Code). In preparing this Statement of Accounts, the Executive Director of Resources: <ul style="list-style-type: none"> • selected suitable accounting policies and then applied them consistently • made judgements and estimates that were reasonable and prudent; and • complied with the local authority Code. The Executive Director of Resources has also: <ul style="list-style-type: none"> • kept proper accounting records which were up to date; and • taken reasonable steps for the prevention and detection of fraud and other irregularities.
Scotland	Local Authority Chief Finance Officer (S95 Officer).	Section 95 Local Government Act 1973 (Scotland) 'Requires local authorities to make arrangements for the proper administration of their financial affairs and appoint a CFO to have responsibility for those arrangements'
Wales	Chief Finance Officer As England, same legislation.	Section 114 Local Government Finance Act 1988 – England and Wales Section 151 of the Local Government Act 1972 – England and Wales Under the Accounts and Audit (Wales) Regulations 2014, councils are responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of their functions
Northern Ireland	LA Chief Finance Officer (S54 Officer)	S54 Local Government Act (Northern Ireland) 1972 Local Government Finance Act (Northern Ireland) 2011 – the first section states that LAs will designate a chief financial officer. https://www.legislation.gov.uk/nia/2011/10/body 'Requires LAs to make safe and efficient arrangements for the receipt of money paid to it and the issue of money payable by it and for those arrangements to be carried out under the supervision the chief financial officer.'

Annex B: LUF Assurance Timeline

Exact deadline dates will be provided in direct communication with the local authority at the time of activity commencing and to support six monthly reporting. The timeline below is indicative and subject to change.

October to November	First line of defence	Local authority: Chief Finance Officer assurance letter and statement of grant usage issued by DLUHC to local authorities
		Local authority: Chief Finance Officer Completed assurance letter and statement of grant Usage returned to DLUHC
		DLUHC: scrutiny of returned assurance letter and statement of grant usage
By early December		DLUHC: outcome of first line of defence checks to the LUF Decision Group to inform payment recommendations and agree Deep dive selection with trigger information
January to February		DLUHC: inform local authorities as to the outcome of first line of defence and identification for a second line of defence deep dive.
April to March	Second line of defence	Deep dives active throughout the year
April to May	First line of defence	Local authority: Chief Finance Officer Statement of grant usage issued by DLUHC to local authorities
		Local authority: Chief Finance Officer Completed statement of grant usage returned to DLUHC
		DLUHC: scrutiny of statement of grant usage
By end of May		DLUHC: outcome of first line of defence checks to the LUF Decision Group to support payments and agree deep dive selection with trigger information
June to July		DLUHC: inform local authorities as to the outcome of first line of defence and

		identification for a second line of defence deep dive.
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Annex C – Towns Funds Annual Assurance Cycle

Exact deadline dates will be provided in direct communication with the local authority at the time of activity commencing. The timeline below is indicative and subject to change.

November to December	First line of defence	Local authority: Chief Finance Officer statement of grant usage issued by DLUHC to local authorities Local authority: Completed Chief Finance Officer statement of grant usage returned to DLUHC DLUHC: scrutiny of returned Chief Finance Officer statement of grant usage
January		Local authority: Chief Finance Officer assurance letter issued Local authority: Completed Chief Finance Officer assurance letter returned to DLUHC DLUHC: scrutiny of returned Chief Finance Officer assurance letter
By end of February		DLUHC: outcome of first line of defence checks to the Towns Fund Decision Group to support payments and agree deep dive selection with trigger information and compliance check outcomes for Town Deals.
March to April		DLUHC: inform local authorities as to the outcome of first line of defence and identification for a second line of defence deep dive.
April to March		Deep dives active throughout the year
May to Aug	Second line of defence	DLUHC: Town Deal Board compliance checks completed. Local Authorities: engagement as required with checks and any actions arising.

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MEMORANDUM OF UNDERSTANDING

Between

Department for Levelling Up, Housing and Communities

-and-

Rutland County Council

1. Purpose

1.1. This Memorandum of Understanding ('MOU') sets out the terms, principles and practices that will apply to the working relationship between the Department for Levelling Up, Housing and Communities ('DLUHC') and Rutland County Council ('the Council') (collectively 'the Parties') regarding the administration and delivery of the Levelling Up Fund ('LUF') proposal Rural Innovation in Place – Levelling Up Proposition for Rutland and Melton. This MOU applies to financial years within your profile below.

2. Background

2.1. On 19 January 2023, HM Government announced the outcome of the LUF competition. The Council were successful with their bid for Rural Innovation in Place – Levelling Up Proposition for Rutland and Melton.

2.2. This MOU covers the funding commitments from DLUHC and the delivery, financial expenditure, agreed milestones, reporting and evaluation, communication and branding expectations between the Parties.

3. Purpose of Funding

3.1. DLUHC considered the application submitted by the Council for the LUF proposal Rural Innovation in Place – Levelling Up Proposition for Rutland and Melton and agreed to allocate funding up to £22,950,690 across FY2022-23, FY2023-24, FY2024-25 and FY2025-26. The indicative allocation for each year is set out in the following table:

TOTAL PACKAGE PROJECTS COMBINED				
Total LUF Grant (PROJECTS 1,2,3)		£22,950,690		88%
Total Match Contribution		£3,234,600		12%
Total Project Costs		£26,185,290		100%
Funding Profile Entered:				
	Year	Grant	Match	Total
1	2022/23	£3,559,915	£430,641	£3,990,557
2	2023/24	£12,393,169	£1,761,979	£14,155,149
3	2024/25	£6,997,605	£1,041,979	£8,039,584
4	2025/26	£0	£0	£0
5	2026/27	N/A	£0	£0
Totals:		£22,950,690	£3,234,600	£26,185,290
		88%	12%	100%

- 3.2. The funding is provided to form part of the necessary capital investment required for delivery of the LUF proposal Rural Innovation in Place – Levelling Up Proposition for Rutland and Melton. DLUHC expects the Council to use the funding provided for the purposes outlined in the application approved by DLUHC, Department for Transport ('DfT') and HM Treasury ('HMT'), and that evidence will be provided to demonstrate this. Grant funding will be paid in six monthly tranches and on the basis of agreed delivery targets having been met. Assurance on project progress shall be borne out through the formal monitoring and assurance process set out in Clause 8 of this MOU.
- 3.3. The application approved by DLUHC, DfT and HMT set out the details of the projects, including budget, spending profile, scope, key assumptions, outputs, timeline, key milestones, and risks. Together these project parameters set out the "ask" and "offer" expected by the Parties, and these are set out in the following table:

Project Budget & Spending Profile	<i>Spending Profile by Source and LUF Profile tabs as set out in the Tables B and C of the Costings Planning Workbook(Annex A)</i>
Project Description	<i>We will harness the natural entrepreneurial talents of the local community to bring a 21st Century vision to Oakham, Melton and our wider hinterland. A vision which recognises that post pandemic, small places have real economic potency now people can work and interact remotely. We plan to build the post modern economic development of the area on the enduring economic sectors of food and health. Linking the economic potential of the two key settlements at the heart of our proposal through a Demand Responsive Transport scheme we have a vision which will lever the collective economic heft of 100,000 people.</i>
Project(s) Outputs & Outcomes	<i>Project(s) specific outputs and outcomes as set out in Table E of the Costings Planning Workbook (Annex A)</i>
Projected Timeline & Key Milestones	<i>Whole project timeline with milestones as set out in Table D of the Costings Planning Workbook (Annex A)</i>

4. Financial Arrangements

- 4.1. The agreed funds will be issued to the Council as grant payments under Section 50 of the United Kingdom Internal Markets Act 2020 ('UKIM'), for capital expenditure as agreed in the approved application.

- 4.2. The Council agrees to use LUF grant payments issued by DLUHC for capital expenditure only.
- 4.3. Payments to the Council will normally be made six monthly, in January and July. By exception, in FY2022-23 the first payment will be made in March 2023.
- 4.4. Six monthly amounts for each financial year will be agreed by the Parties in principle. Release of these payments will be dependent on submission of a Section 151/95/114/54 Officer signed Statement of Grant Usage and corresponding quarterly monitoring return.
- 4.5. The Council will provide regular project, financial, and risk reporting to DLUHC, in such a format that DLUHC will provide, demonstrating expenditure of the previous funding and that outputs and outcomes are being met, in line with the approved application.
- 4.6. This information will be taken into consideration by DLUHC before subsequent six-monthly payments to the Council are finalised and paid. DLUHC may make appropriate adjustments to payments or withhold payments where there are significant concerns over delivery.
- 4.7. If the Council needs to amend the annual spending profile, requiring a change to the indicative allocations in Clause 3.1, the Council will submit a Project Adjustment Request.
- 4.8. Requests by the Council to amend an annual spending profile will be considered by DLUHC. There are no guarantees that such requests will be accommodated.
- 4.9. In accordance with the declaration signed by the Council's Section 151/95/114/54 Officer as part of the Bid Application, the Council accepts responsibility for meeting any costs over and above DLUHC's contribution set out in Clause 3.1, including potential cost overruns and the underwriting of any funding contributions expected from third parties.
- 4.10. The Council must spend all grant funding by the end of the funding period, 31 March 2026.
- 4.11. The Chief Executive, Section 151/95/114/54 Officer and Chief Internal Auditor (or equivalent) of the Council will sign and return to DLUHC a declaration, to be received no later than six months after the physical completion of the project(s), in the following terms:

“To the best of our knowledge and belief, and having carried out appropriate investigations and checks, in our opinion, in all significant respects, the conditions attached to Rural Innovation in Place – Levelling Up Proposition for Rutland and Melton LUF Grant Determination have been complied with.”

5. Duration and Review Point

- 5.1. This MOU applies to financial years within your profile.

- 5.2. This MOU will come into effect upon signature by the Parties and will remain in effect until it is terminated by either Party in accordance with the terms in Clause 12 of this MOU. It may be extended by the written agreement of the Parties.
- 5.3. Each year of the planned funding period will be covered by an MOU, including the extension of this MOU where the Parties agree to the extension.
- 5.4. Notwithstanding Clause 5.1 and 5.3 of this MOU, if an MOU is not in place by the end of financial year 2023-24, this MOU will continue to apply.

6. Active Travel

- 6.1. As Rural Innovation in Place – Levelling Up Proposition for Rutland and Melton includes transportation elements, the Council agrees that the project(s) will comply, insofar as it relates to active travel infrastructure, in all respects with Local Transport Note 1/20 on Cycle Infrastructure Design (LTN 1/20), including the use of segregation and ensuring the permanence of all applicable travel components.
- 6.2. The Council will ensure that proper and thorough public engagement has taken place on the design of any applicable travel component. DLUHC will not issue further grant funding until satisfactory assurances on public engagement have been provided by the Council.
- 6.3. In the event that applicable travel components are not constructed to LTN 1/20 standards or are altered or removed within 10 years of completion, DLUHC may notify DfT and the Council should, in accordance with the Minister of State for Transport's letter to highway authorities of 30 July 2021, expect to receive less funding in the future from DfT.

7. Branding and Communication

- 7.1. DLUHC will provide the Council with guidance on the Branding and Communication associated with LUF projects. The Parties agree to adhere to the guidance and any updates subsequently released by DLUHC.

8. Monitoring and Evaluation

- 8.1. DLUHC has provided the Council with the Levelling Up Fund Monitoring and Evaluation Guidance (LUF M&E Guidance).
- 8.2. DLUHC will provide grant funding subject to the Council hereby agreeing to full transparency open book working and a duty of good faith regarding all matters relating to the project, the Council, and this MOU.
- 8.3. The Council agrees to collect data on inputs, outputs and outcomes. DLUHC will lead on programme-level evaluation including data collection for outcomes and impacts. However, as described in the LUF M&E Guidance, DLUHC may require some evaluation assistance from the Council including collecting

baseline data where alternative data sources are not available and facilitating meetings with key stakeholders. The Council also agrees to undertake a project level local evaluation as described in the Bid Application.

8.4. The Council agrees to collaborate with DLUHC over monitoring and evaluation requirements, which will involve reporting quarterly on project expenditure, project progress, stakeholder engagement, risks, milestones and any project changes. The Council will also collaborate with DLUHC to provide six-monthly reporting on project outputs and potentially some outcomes. DLUHC shall assist the Council where possible, and the Parties will work together to satisfy these requirements. This includes collecting accurate data and using the agreed metrics and methods as set out in the LUF M&E Guidance. DLUHC reserves the right to quality assure data and conduct site verifications.

8.5. The Council will endeavour to promptly share information at appropriate times as and when requested by DLUHC, including:

- Current funding that has been spent
- Planned expenditures
- Updates on key project milestones and risks
- Procurement and governance
- Case studies for publicising investment

8.6. DLUHC may publish relevant data and use it to inform public statements.

9. Assurance

9.1. DLUHC will provide the council with the Assurance and Performance Management Framework setting out the LUF assurance processes.

9.2. The Council will collaborate with DLUHC over assurance requirements, which will include the Section 151/95/114/54 Officer using the templates provided to give periodic written assurance to DLUHC and DfT where appropriate. This includes written confirmation that the project continues to represent value for money / best value and provisions of accurate data and information within the assurance cycle as set out in the CLGU Assurance and Performance Management Framework. The Council will also collaborate with DLUHC if required to support further assurance through risk based Deep Dive activity. Deep Dives will include engagement with SRO, Section 151/95/114/54 Officer and Project Leads, alongside the provision of specified procurement, financial and decision-making evidence on request for review. DLUHC shall assist the Council where possible, and the Parties will work together to satisfy these requirements. Sample based Deep Dives will be retained as an option through the programme.

9.3. The Council will provide upon request evidence of a constituted LUF delivery board or that a pre-existing delivery board has formally adopted LUF governance within its Terms of Reference. Integration into the full governance arrangements of the Council should be evident.

9.4. The Council is expected to have the necessary governance and assurance arrangements in place and that all legal and other statutory obligations and consents will be adhered to, which may include, but not solely, state aid / subsidy control, equalities duties, procurement, health and safety and fraud.

9.5. The Council will ensure data can be shared for the prevention and detection of fraud by including the following clause in all agreements with companies or external entities:

“Data may be shared with other enforcement agencies for the prevention and detection of crime.”

9.6. The Council will fully comply with all obligations set out in the Fraud Risk Assessment guidance in Annex B to ensure the safe administration of grants and that appropriate measures are put in place to mitigate against the risk of both fraud and payment error.

10. Changes to approved Application

10.1. The Council will notify DLUHC of any proposed changes to the approved project(s) by submitting a Project Adjustment Request (PAR). These notifications should be provided and agreed in advance of changes.

10.2. The Council will require approval by DLUHC for any alterations to the project, as set out in Clause 3.3.

10.3. A range of project changes, including but not limited to changes to spending profiles, delivery timelines, outputs and outcomes may be requested through the PAR process. The requested changes will be categorised as either ‘streamlined’, representing minor changes to spending or delivery timelines, or ‘standard’, which will capture any other requested project changes. Guidance covering the PAR process will be made available to the Council by DLUHC.

11. Compliance with the MOU

11.1. The Parties to this MOU are responsible for ensuring that they have the necessary systems and appropriate resources in place within their respective organisations to comply fully with the requirements of this MOU.

12. Changes to the MOU

12.1. The arrangements under this MOU will be kept under review. Amendments to this MOU may only be made upon written agreement between the Parties.

13. Resolution of Disputes

13.1. Any dispute that may arise as to the interpretation or application of this MOU will be settled by consultation between the Parties.

14. Legal Enforcement

14.1. This MOU is not legally enforceable. It describes the understanding between both parties for the use of funding specified in Clause 3 of this agreement.

Signed on Behalf of the Council (by Chief Executive / Section 151/95/114/54 Officer):

Name:

Job Title:

Date:

Signed on Behalf of DLUHC:

Name:

Job Title:

Date:

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Appendix H – Rutland and Melton LUF Programme Key Risks and Mitigations

Risk	Implications	Risk Assessment High – H; Medium – M; Low - L			Mitigation
		Probability	Impact	Overall Risk Rating	
Governance					
Discord amongst delivery partners	Partners fail to agree on the implementation approach	L	M	M	A clear delivery programme will structure the work and minimise the scope for misinterpretation. If there are ongoing issues mediation will be deployed.
Challenges to the management capacity of the programme delivery activities	Staff leave, get sick or fail to perform	M	M	M	The breadth of the partnership, comprising two authorities with associated other supporting third-party organisations should enable these challenges to be managed and provide resilience. Additional staff resources will be recruited to support programme management and the Accountable Body function. These will be funded through the LUF programme.
Delivery and Implementation					
Individual project failure	The implications will be determined to an extent by the reason for failure, this could involve: capacity, financial failure and fail to comply with conditions	L	H	M	The programme management structure will enable the development of issues of this gravity to be identified and corrective actions put in place to mitigate impact as it develops. In the eventuality of terminal issues arising detailed liaison with DLHUC will be put in place as a means of

Risk	Implications	Risk Assessment High – H; Medium – M; Low - L			Mitigation
		Probability	Impact	Overall Risk Rating	
					mitigating impact
Individual project sponsor failure	There is scope for partners to change their status and focus. This could have a negative impact on the delivery of the projects in scope	L	H	M	The detailed liaison by accountable officers with individual projects will enable delivery failure to be identified and mitigated. The 'back to back' agreement with Melton Borough Council will apportion appropriate accountabilities and scope to identify alternative suppliers or ultimately close down projects if there are no alternative options
Failure to deliver agreed outputs	This could lead to changes to the Value for Money delivered by the project and in the most extreme case would cause reputational damage and ceasing of LUF grant payments	L	M	M	Governance structure and robust programme management will support early identification of any potential issues to enable their effective management. The 'back to back' grant agreement with Melton Borough Council will provide clarity on accountabilities for delivery outputs. A formative evaluation framework will be developed and implemented at the early stages of the programme to provide clarity on reporting and monitoring requirements and a focus on outputs.
Financial Risks					
Cost over-runs due to inflation	Inflation is currently running at 10%	H	M	H	A prudent contingency budget has been built in for each project ranging from 5-9%

Risk	Implications	Risk Assessment High – H; Medium – M; Low - L			Mitigation
		Probability	Impact	Overall Risk Rating	
	unforeseen financial shocks and any delays to project delivery could cause costs to escalate out of control				<p>depending on the scale and nature of the project.</p> <p>Project costs are currently being reappraised given the Government delays to LUF Round 2 and the programme will be adjusted accordingly e.g. redesign/value engineering.</p> <p>The planned programme management approach and detailed monitoring of project delivery will enable a proactive and robust ability to manage this risk.</p>
Failure to meet spending profile	Over or underspend in an uncontrolled way runs the risk of unauthorised or cancelled expenditure and overall programme failure	M	H	H	The Accountable Body and programme management function backed by the ultimate sanction of clawback within the 'back-to-back' funding agreement with Melton Borough Council and agreements for the delivery of the individual aspects of each project provides the protection required for this risk to be managed effectively.
Revenue challenges impair the successful ongoing operation of the facilities funded	If the revenue planning for the take up of the services provided is less than anticipated value for money will be affected and potentially the ongoing viability of	M	H	H	A robust process of initial business planning has been undertaken. The cost assumptions and projects are currently being re-appraised given the impact of Government delays means the original plans are now over 8months old.

Risk	Implications	Risk Assessment High – H; Medium – M; Low - L			Mitigation
		Probability	Impact	Overall Risk Rating	
	some of the projects will be challenged				There are rigorous quarterly monitoring arrangements which will identify the issues concerning operational viability as they arise and provide scope for escalation and problem solving within the wider project delivery structures and ultimately at the Executive Programme Board
Programme Risks					
One or other Council does not agree to accept the grant funding	Potential impact on the delivery of the entirety of the LUF programme and to meet the requirements of the Memorandum of Understanding	L	H	M	Discussion with Department of Levelling Up, Housing and Communities about whether elements of the Rutland and Melton LUF programme could continue. Ultimately the LUF award could be declined.
Rutland County Council does not agree to be the Accountable Body	Impact on meeting the requirements of the Memorandum of Understanding and delivery of the projects, particularly the transport element	M	H	H	Discussion with Department of Levelling Up, Housing and Communities (DLUHC) about whether alternative arrangements could be put in place. Ultimately the LUF award could be declined.
Memorandum of Understanding (MoU) is not contractually binding	There is no legal obligation for either Government or the Council's to fulfil the requirements of the MoU	L	H	L/M	LUF is expected to be released in 6-month tranches – 3 months in arrears and 3 months in advance. This should limit the risk of financial exposure/cashflow issues.

Risk	Implications	Risk Assessment High – H; Medium – M; Low - L			Mitigation
		Probability	Impact	Overall Risk Rating	
					The 'back-to-back' grant agreement with Melton Borough Council will set out the accountabilities and limitations of financial risk for RCC.

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RUTLAND AND MELTON LEVELLING UP FUND GOVERNANCE

Rutland and Melton LUF Executive Programme Delivery Board

- Leaders, Portfolio Holders for Economic Development and Finance, Chief Executives, Place Directors, S151 Officers, Programme Leads, Programme Manager

Rutland Chief Executive to chair on behalf of Accountable Body and as Senior Responsible Officer
Frequency (initial) – 6 weekly

Rutland and Melton LUF Executive Programme Implementation Team

- Programme Directors: Rutland and Melton Place Directors
- Programme Leads: Rutland Head of Sustainable Economy and Melton Assistant Director – Regeneration and UKSPF
- Finance Officers: Rutland Head of Finance, Capital Programme Finance Officer and Melton?
- Programme Manager: Rutland and Melton LUF

Frequency - Fortnightly

Rutland Project Teams

Melton Project Teams

Health and Care Campus
Meditech and Mobihub

Stakeholder Group
Leicestershire Partnership Trust; Integrated Care Organisation, Oakham Medical Practice, Primary Care Network Children’s Services, Healthwatch and VCS

Project Team
Project Director: Director of Places
Lead: Head of Sustainable Economy
Finance: Head of Finance
Adults Care: Director of Adult Services
Property: Head of Property
Programme Manager

Public Transport Innovation

Stakeholder Group
Bus Service Improvement Partnership
Bus Users Forum
Department for Transport

Project Team
Project Director: Head of Safe and Active Public Realm
Lead: Senior Transport Manager
Leicestershire County Council
Midlands Connect
Finance
Corporate Programme Manager
Director of Places

Cultural Innovation

Stakeholder Group
Anglian Water
Burley Estate
Rutland Agricultural Society
Friends of Museum
University of Leicester
Discover Rutland

Project Team
Project Director: Head of Culture and Registration
Culture: Project Officer Manager
Director of Places
Head of Property
Corp Projects Manager

Stockyard Food Innovation

Melton to determine

Brooksby Melton College Theatre Development

Melton to develop

RCC Transformation Programme

£63

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