



IN SEARCH OF 'GOOD FAITH' EXECUTIVE SUMMARY

**REPORT OF A REVIEW OF LEICESTER CITY
COUNCIL'S RELATIONSHIP WITH THE
HIGHFIELDS COMMUNITY ASSOCIATION**

PROFESSOR GUS JOHN

1.0 The Review and its remit

1.1 The review was commissioned by Highfields Community Association, the governing body of Highfields Centre, in August 2016, with the following remit:

Review Leicester City Council's relationship with Highfields Centre in the last 20 years, with a particular focus on the period since achieving community governance status in 2010.

This review is being commissioned by Highfields Centre against the background of its relationship with Leicester City Council before and especially since 2010 and the Centre's political and managerial independence from the City Council. The Centre continues to provide a wide range of services and accredited educational courses for local residents and to be a space 'owned' by the Highfields community for its own development and edification, despite no longer being contracted by the City Council to provide services.

It is envisaged that the review will take some 10 days and will include a series of interviews with Centre staff and users, City Council members and officers and heads of a number of other organisations serving the Highfields community.

1.2 The website of the Highfields Centre ([HC website](#)) notes that:

Highfields Centre first opened in 1974 as a community centre and is located in the heart of a vibrant and diverse community in Leicester. Highfields Community Association (HCA) is a company limited by guarantee, a registered charity, an approved Social Enterprise Mark holder and a full Locality member. Since December 2010, HCA has been fully responsible for the management and operation of Highfields Centre.

Its mission statement is: "To help provide, develop and manage a family oriented community, sports and arts learning centre and to serve Leicester's population, with a particular emphasis as a community anchor organisation for the Highfields area wide communities."

Its governing body has confirmed that its role is to act as a community anchor organisation, providing community leadership and acting as a driving force in community renewal and its ethos is reflected in its following motto:

Enhancing lives, Empowering communities, Enterprise for one and all.

1.3 The review was conducted by Professor Gus John, a former director of education and an independent consultant with expertise in community education and life-long learning, equality and human rights and leadership and management. He is a visiting professor at Coventry University and patron of the Communities Empowerment Network (CEN)

– [Gus John](#)

2.0 Method

2.1 The review was conducted principally through:

- a) desk research involving the examination of: the Centre's records, reports, minutes of meetings and other relevant documentation; newspaper reports (mostly but not exclusively from the Leicester Mercury) and policy and consultation documents and reports from Leicester City Council's website ([Leicester City Council](#)).
- b) face to face interviews with users and staff at the Highfields Centre, members of the governing body and local councillors, in addition to telephone interviews with 3 of the latter, 2 of whom refused to meet face to face.

Invitations were sent to the City Mayor and to senior officers in Leicester City Council, but none of them consented to be interviewed, nor did any of them provide written submissions to the review, save for documents the City Mayor appended to his refusal letter.

3.0 Background

3.1 Leicester City Council was established following the Local Government Act 1972 and became a non-metropolitan district council within Leicestershire County Council (LCoC). The county council ran education and youth services in Leicester until April 1997 when the City of Leicester became a unitary authority in its own right.

3.2 The Highfields Community Association (HCA) was formed in 1972 and the Centre opened in 1974, operating the constitution of the National Federation of Community Associations with the approval of the City Further Education Committee. The Highfields Centre started life as the Highfields Youth and Community Centre. A Highlights Community Association management committee report dated 13 November 1989 notes that:

The activities at the Centre in the early days were social, recreational and education and it was exclusively used by outside youth and community groups.

3.3 Priya Thamotheram took up post as Head of Centre in October 1982 and found a centre in need of a coherent community education curriculum and a professional management structure, especially given the large number of part time workers the Centre employed, the index of need in the Highfields area and the absence of 'a policy context within which the management and curriculum plan for the work of the Centre could be formulated'. (Management Committee report – August 1989)

3.4 In the years immediately following Priya Thamotheram's appointment, the Centre was reviewed repeatedly by LCoC. In early 1989, a review was conducted and a report submitted to the then director of education in May of that year. The HCA management committee noted in its response to that report:

The message that comes through very clearly from the report is that having found a policy vacuum and no contextual framework within which community education work in Highfields generally and at Highfields Youth & Community Centre was being done, the Head of Centre wrote two 'working papers' in which he sought to define a role for the Centre.

A further shortcoming of the LEA has been a failure to provide a commonly agreed policy for Community Education generally, let alone guidelines for Community Education in a multi-racial setting like Highfields.

- 3.5 This was especially surprising and even frustrating because LCoC had gained an international reputation as a pioneer of community education and life-long learning. Further, given the demographic profile of Highfields, the Management Committee thought it significant that the 1989 review report
- ‘said nothing about racial justice and social justice and nothing is said about the role of community education and community development in political empowerment vis a vis combating racial and class oppression in Highfields and the (Leicestershire) County generally’.
- 3.6 In 1989, Highfields had a multi-ethnic population of approximately 27,000, comprising Asian, East African, African-Caribbean, whites and other ethnic minorities. The unemployment rate in the area was 34%, the highest in the County. Since the 1990s, demographic changes in the area have continued apace, with a growing Somali community, rapidly increasing number of Eastern Europeans and of Indians arriving via Portugal.
- 3.7 An important aspect of the background to the current broken relationship between Highfields Centre and Leicester City Council is the fact that although the Council has been funding various community organisations in the Highfields area, many of which are providing services not delivered by the Council, or/and supplementing those it does provide, the City Council appears to have no clear vision for the human and spatial development of the area. This has been the case for decades, in relation to the poorest area in the County, an area with the most vulnerable groups in the population and an area where poverty, deprivation and lack of opportunity remain defining characteristics.
- 3.8 What’s more, Highfields is on the inner ring of the city, with a population that has long been regarded as traditionally Labour, a city in which Labour has run the Council for 34 of the last 37 years.
- 3.9 HCA’s experience of both LCoC and LCC over the years has been of a preoccupation with structural arrangements and management issues, rather than with the need that gives rise to the various types of provision being managed, how that need is generated and is ever increasing and how one empowers the population to act confidently and collectively in pursuit of change, conscious of what unites rather than divides them, whether it be on the axis of age, gender, faith, country of origin, culture or any other defining characteristic.
- 3.10 For all the above reasons, the HCA has continued to:
- embrace community education and life-long learning principles
 - respond adaptably to community needs
 - engage and involve individuals and groups in the community in decision-making about how services should be planned and delivered and how best to support the activities they determine to be of best value to them
 - encourage parents and carers to be active partners in their children’s learning and development, while attending to their own learning and self development needs
 - encourage learning at all ages and stages through sport, art, different forms of media, language development and self expression
 - provide opportunities for groups in the population to identify and articulate their diverse needs

- seek funding, manage its resources and engage in partnerships and collaborations that could benefit the most vulnerable and excluded in the population, including through training, advocacy and representation, skills development, entrepreneurship and coaching and mentoring
- strive for excellence and encourage staff and service users to do the same
- empower the individual to develop his/her capacity to act in a self-directing way and to take collective action with others in pursuit of change, as it considers that to be at the very heart of the process of managing a democratic culture
- evaluate its performance, assess the impact of its services and interventions and stay on a development pathway.

3.11 Throughout its life, HCA has had to deal with the mismatch between its organic relationship with the communities it serves, its responsiveness to their needs and challenges and the service planning and delivery that arise there from on the one hand, and the perceptions and priorities of elected leaders and council officers on the other. Too often, the HCA has found that the way it seeks to develop and deliver services, placing communities and their needs at the core of its planning and use of resources, is seriously at variance with what the City and (formerly the County) determines it wishes to make its priority, especially when such priority setting is not based upon meaningful consultation with communities themselves.

3.12 HCA, Race, Ethnicity and Community Engagement

3.13 The ethnic profile of the communities HCA serves is reflected in that of the users of the Highfields Centre. A breakdown of the 2014 user population, for example, is as follows:

- Asian: 73% African/Caribbean: 16% White: 4% Other: 7%

3.14 Combating racial and class oppression in Highfields and promoting racial justice and social justice have been at the core of HCA's engagement with local communities since its inception. The development and patterns of settlement of those communities over the last five decades have been in the context of policies and attitudes to race and immigration, multiculturalism, equal opportunity in Britain generally and in Leicester and Leicestershire in particular.

3.15 Over the last 50 years, generations in Highfields have grown up in the shadow of an expanding body of legislation against discrimination and to promote equality of opportunity, including the 1965, 1968, 1976 and 2000 Race Relations Acts, the Human Rights Act 1998 (incorporated into British domestic law in 2000) and the Equalities Act 2010.

3.16 But as late as August 2016, David Isaac, the new Chair of the Equality and Human Rights Commission (EHRC) was warning that:

Britain can expect widening social divisions and increased racial tensions unless the government takes urgent action to tackle deep-rooted inequalities.

...for many ethnic minority groups – especially young black people – life had got worse in a number of areas over the past five years.

We must redouble our efforts to tackle race inequality urgently or risk the divisions in our society growing and racial tensions increasing.

If you are black or an ethnic minority in modern Britain, it can often still feel like you are living in a different world, never mind being part of a one nation society.

3.17 Reporting the EHRC Chair's comments, the *Guardian* noted:

A wide-ranging review by the commission of racial equality in a number of areas, including education, jobs, pay and health, revealed a worrying combination of post-Brexit hate crime and entrenched long-term systemic unfairness:

- Black people are much more likely to be victims of crime and be treated more harshly in the criminal justice system, and are three times more likely to be prosecuted than whites.
- Life chances for young minority ethnic people have got worse over the past five years and are “the most challenging for generations”. They were more likely to live in poverty than white people, and more likely to live in poor housing.
- White working-class boys had the worst GCSE results overall – while conversely Chinese and Indian educational achievement was improving. Just 6% of black school leavers attended a Russell Group university compared with 12% of mixed and Asian students and 11% of white school leavers.
- Unemployment rates among ethnic minorities (12.9%) were twice as high as those for white people. Black workers with degrees earned 23% less on average than white workers with equivalent qualifications. Ethnic minorities were “hugely underrepresented” in positions of power such as judges and police chiefs.

3.18 Responding to the report, Farah Elahi, policy and research analyst at the Runnymede Trust said:

...the extent of the unfairness revealed in the report showed that lives were being ruined and talent held back on grounds of race.

We hope this acts as a wake-up call to government, decision makers and the media to focus on the issues of systemic discrimination that keep Britain divided socially and economically.

[Guardian](#) – 18 August 2016

3.19 This background is important if one is to understand the events that have given rise to LCC's ongoing isolation of the HCA in recent years, an organisation that has evidently served the Highfields Community and the City well and reduced social exclusion on a massive scale for the last 42 years.

3.20 HCA told this review that over the years it has not been possible to get a clear sense, whether from stated policies or from service priorities, of how the county and the city were factoring in race, ethnicity, discrimination and social exclusion as dynamic factors at work in the Highfields community when they were planning or managing the delivery of services in the area.

4.0 Community Governance

4.1 HCA began a process to develop the Highfields Youth & Community Centre and expand its provision to the community by submitting a funding bid to Sports England for the development of its Sports Hall in December 1996. In October 1997, it was awarded (in principle) £1.8m and eventually received total funding of £5m, including £2m lottery funding.

- 4.2 But this was not a straightforward process. Support and endorsement was required and actually received from LCoC and then following their local government reorganisation related transfer of assets to LCC, from the City Council itself. During 1998/1999, there was a level of obstruction from officers of the Council that risked putting the entire project in jeopardy and losing the agreed funding. Negotiations about a long term leasing arrangement in favour of HCA, for example, were fraught and there was clear evidence of mistrust on the part of some officers and members in the City Council of the HCA and its capacity to manage the new facility and put in place a programme that could justify its creation.
- 4.3 This development signalled in many ways the consolidation of HCA's management capacity, growth in self-reliance and engagement of the community in the planning, delivery and management of community services. It also revealed the reluctance of some members and officers in the City Council to forge a genuine partnership with the HCA in providing services, seemingly preferring to plan and manage services and the staff delivering them directly from the council itself.
- 4.4 With increased space and improved facilities, HCA was able to expand its services to the community, employ and manage more staff and forge more effective partnerships with other community based providers, including schools and post-16 institutions, organised groups and advice services. Its representation on the Highfields Area Forum also meant that it exercised a strong voice in respect of the coordination of area-based provision, consultations initiated by the City Council, Single Regeneration Budget, the Challenge Fund, the Urban Regeneration Sub-Committee, Leicester Regeneration Authority, Electoral Commission, etc.
- 4.5 By the first decade of the Millennium, therefore, HCA was a major community resource and an entity with the reach and capacity to exert an increasing amount of influence in community affairs and to help shape community responses to micro and macro political challenges and threats. Furthermore, with its increased space, it was able to make a significant contribution to the cultural life of the area, both encouraging creative media and providing space for cultural expression. As such, the expanded centre became and was perceived by the community to be much more a community 'owned' and run facility, with its direction coming more from the community than from the City Council.
- 4.6 So organic was this development that at least two local councillors were at different times elected Chair and one as Treasurer of the HCA's management committee/governing body and their own and other councillors' surgeries were held at the Centre. They and indeed all local councillors, including the current City Mayor, saw the Centre as being at the heart of the community and central to its development, serving as it did all groups, of all ages, in that community.
- 4.7 Against that background, therefore, the HCA decided it was a logical step for it to seek 'Community Governance' status and operate as a full partner with the City Council in community development and service delivery in Highfields. The HCA reckoned that for a number of reasons, most of which were incontrovertible, the Centre was able to have, sustain and continuously improve a relationship with the Highfields community and work with it in meeting community needs in a manner it would be impossible for LCC to replicate.

4.8 As far as the Association was concerned, that did not imply nor was it meant to result in the HCA having a competitive, adversarial or non-collaborative relationship with the City Council, its elected members and officers. Rather, the assumption was that the Council would continue to discharge its responsibility to provide services for the people of Highfields, differentiated by age, gender, faith, sexual orientation, employment status, skill level, ethnicity, command of English, and other defining characteristics. Given the growth of the Centre since the early 1970s, both in physical size, range of services provided, understanding of and embeddedness within the local community and its status as a community hub, HCA envisaged being able to continue providing a range of council-funded services, as well as other services for which it had attracted and had every hope of continuing to attract targeted and unrestricted funds.

4.9 And so it was that the HCA set out to lobby LCC to embrace the government's 'Locality' programme and hand over the asset that is the Highfields Centre into its keep, employing the 'community governance' model.

4.10 On 1 December 2010, the process of transferring the Highfields Centre into the keep and under the 'Community Governance' of the HCA was completed. LCC and HCA entered into a Partnership Agreement that committed both sides to a number of things, including:

'The Parties confirm that they are committed to co-operating with one another in the spirit of the Partnering Agreement that was entered into between the parties on 30 November 2010 and agree to keep the other informed, to liaise effectively and **to work together in good faith**'. (Emphasis added)

A 3-year contract was drawn up that committed LCC to commissioning community services from HCA to the value of £293m and to the hire of rooms for delivering those services to the tune of £100k per annum.

5.0 LCC & HCA after Community Governance

5.1 On 28 January 2011, the HCA celebrated its independence from LCC control at a gala evening at the Highfields Centre. One of the speakers at that event was the then MP for Leicester South, Peter Soulsby, a man who had seen close up the growth of HCA and the extent and quality of its service to the people of Highfields for more than 20 years.

5.2 Among the statements Mr Soulsby made in his speech were:

'It was the HCA that drew down the £5m funding to redevelop the old Highfields Youth and Community Centre into the new Highfields Centre.

'I've seen the way in which it has been right at the heart of the local community throughout that very long period of time. I've seen how it has been served by some excellent staff and also, some brilliant volunteers.

'The Big Society doesn't exist in a vacuum, it exists as community governance here I hope will prosper, it exists with support, with resources, with practical help, with a climate, a culture that gives the support that's needed from the local council and in our case, the city council and other public agencies and there's many that serve the Highfields area. **They must all work together to make community governance and the independence of this Centre, something that sees itself continue to prosper, see it continue to be at the heart of the community , sees it continue to serve the community in the future as it has done in the past.**

'I think it's right that something that's given such service to the community should not just be part of the community but governed by the community. They should shape it, they should have control over it and they should shape its future and I'm very pleased to be a part of the Independence celebrations.

'I think we've got a good record of how that should be done here in Leicester and after a long struggle, I think here **we've got here a beacon and a model about how it should be done in our city**'.

[HC website](#)

5.3 Those who were present at the independence celebration event would probably be perplexed at the turn of events that have been widely reported in the media since then, and especially since 2013. Some of the remarks made on radio or television by Mr Soulsby as City Mayor are in sharp contrast not only to his enthusiastic endorsement (above) of HCA's community governance status, but to similar comments he made at a Highfields Users Campaign meeting in September 2006 when he said:

"It is very clear that the Council needs Highfields Community Association. It needs the Community Association, because the **Community Association speaks on behalf of the local community and because it was the Community Association that got the funding in the first place.**

I would say to the Council that the community and the Community Association needs to be supported, its work needs to be recognised and it needs to be helped. And I'd say to them, the sort of thing I experienced when I met the [Liberal Democrat] councillor, the sort of thing we've seen in the Mercury, is not the way to build for the future of this centre. The threatening, the blaming (Bullying) – you used that word, but it may be well appropriate, **the threatening and blaming certainly is not the way to build the future of this centre.** They need to work constructively with those who speak on behalf of the local community and they are the Highfields Community Association". ([HC website](#) – see HCAN, November 2006)

5.4 However, Peter Soulsby's actions and pronouncements since being elected as City Mayor in May 2011 have been the opposite of that unqualified endorsement, with one exception. He was forthright in his support when the Highfields area was put forward in November 2011 as a pilot for the Department of Communities and Local Government's initiative on Neighbourhood Community Budget pilot areas, thanks to the hard work of Andy Keeling and other council officers.

5.5 By November 2013, even before the 3 year transfer contract had run its course, Mayor Soulsby could be heard on the airwaves pronouncing:

'...the agreement was for 3 years and the expectation at the end of the 3 years was that they would have got themselves to not just to self governance but to being independent of council resources. Now, it's obvious they haven't made it and it's obvious we don't want them to collapse but in the present climate, can't just write them a blank cheque regardless.

Of course, we could say, we've given you the building, we've given you a million pounds – we gave that over a 3 year period and at the end of the 3 year period, you promised to be economically independent – wouldn't need to come back to us yet again.

The whole intention was that by now they would be self sustaining. If they've failed to make it, to get enough income in, then there's going to be some tough questions for them to answer as to why not and as to why at this very late stage, they're coming to us in a crisis?'

- Sir Peter Soulsby's interview with Ben Jackson, BBC Radio Leicester, 7 November 2013.

5.6 Over the following 18 months, a full blown dispute evolved between LCC and HCA, one which was liberally aired on radio and in the Leicester Mercury, with the latter carrying banner headlines such as:

Future of Highfields Centre, in Leicester, in the balance as council funding to expire...
[Leicester Mercury](#) - November 14, 2013

Highfields community group angry at city council ...
[Leicester Mercury](#) - 18 Mar 2014

Leicester's mayor and Highfields Community Association bosses still locked in dispute....
[Leicester Mercury](#) - 8 Dec 2014

Bitter dispute between Sir Peter Soulsby and the Highfields Community Association rumbles on....
[Leicester Mercury](#) - 7 Apr 2015

Row between Leicester mayor and Highfields Community Association escalates...
[Leicester Mercury](#) - 7 Jul 2015

Peter Soulsby axes Highfields Community Association funding after bitter 18 month row
[Leicester Mercury](#) - 24 July 2015

Highfields Centre Leicester loses £300k council funding
[BBC Radio Leicester](#) – 28 July 2015

Councillors to debate row between Leicester Mayor and Highfields Community Association
[Leicester Mercury](#) - 10 Aug 2015

Centre fights on after losing council funding
[Third Sector](#) - 19 Nov 2015

5.7 How did it come to this?

5.8 This review has identified the following interlocking issues as lying at the heart of the dispute between LCC and the HCA:

- a) The attitude the City Mayor adopted to the HCA's community governance status once he was elected to that post.
- b) Sir Peter Soulsby's attitude and conduct towards the management of the Highfields Centre
- c) Disagreement as to whether the transfer contract agreed between the two parties in 2010 committed HCA to achieving complete financial independence from LCC within an agreed time frame, i.e., by the end of that 3 year contract
- d) Lack of agreement that political independence and self-governance and management did not preclude HCA from being commissioned to provide services for LCC, through service level agreements or similar contractual arrangements

- e) The cost to LCC of rented space at Highfields Centre for providing services funded by LCC
- f) The transfer of staff from LCC to HCA and the protection of the pension rights they enjoyed while in the employment of LCC
- g) The apparent lack of LCC focus upon the impact that withdrawal of funding from the HCA would have/is having upon the communities served by the Highfields Centre
- h) The impact upon HCA staff, service users and the Highfields community of the megaphonic exchanges in the media between both parties
- i) The City Mayor's personal management and decision making with respect to most if not all aspects of the interface between HCA and LCC
- j) The fear of acting independently of the City Mayor in the interests of the people in their wards that many of the local councillors displayed, especially those who declined to be interviewed for this review
- k) The lack of a political opposition in Leicester City Council and the apparent inability of the Labour majority in that Council to hold the City Mayor to account
- l) The lack of independent evaluation of the decisions made by the City Mayor in response to representations made and evidence presented by HCA
- m) The impact of LCC's disengagement with HCA upon the latter's ability to draw down alternative funding and make provision for vulnerable groups in the Highfields community, the unskilled and unemployed in particular
- n) The apparent lack of LCC concern for the fact that HCA is still all the things Sir Peter Soulsby attributed to it in 5.2 and 5.3 above.

6.00 Findings and Conclusions

6.1 The remit for this review was:

To review Leicester City Council's relationship with Highfields Centre in the last 20 years, with a particular focus on the period since achieving community governance status in 2010.

- 6.2 The review has established that the Highfields Community Association remains a dynamic hub of life-long learning activities and community engagement in Highfields. It is a major provider of services to the local community and operates to do so in partnership with Leicester City Council.
- 6.3 The HCA and Highfields Centre are seen by the communities they serve as being responsive to the changing demographics in the area and to operate flexibly in meeting the diverse needs of the entire community. The Centre is regarded very much as a family centre, providing among other things family-centred learning and social development.
- 6.4 Although the HCA received the bulk of its funding from LCC prior to 2010 in exchange for the provision of a range of services six, often seven, days a week, it remained 'ahead of the game' as far as identifying needs and socio-economic trends within Highfields was concerned. What's more, it played and continues to play a strategic role in the partnerships and local area forums that focus upon the development of social and cultural capital and the economic base in the area.

- 6.5 Despite the fact, therefore, that it was not then and is not now possible to identify LCC's strategic plan for developing the community of Highfields and addressing the diverse needs of its population, particularly given the level of social and economic deprivation in the area, HCA has consistently sought to define its own role and engage with the local population in prioritising and meeting its needs.
- 6.6 Having operated in Highfields for over four decades, HCA has a thorough understanding of the area, its strengths and its challenges. It has a very able, committed and loyal body of staff whose focus is principally on service to the local community. The majority of them are people who were once users of HCA's services and whose careers the organisation helped to build. They in turn feel privileged to be able to provide for a new generation and different groups of users of all ages, investing in their futures and influencing their current aspirations just as much as HCA once did for them.
- 6.7 HCA has painstakingly built a productive and mutually respectful working relationship with LCC officers and with all local politicians. In the past, the Centre and its governing body have worked with officers and councillors to iron out difficulties and solve problems, especially in relation to budget cuts and the welfare of staff employed by LCC and deployed in the Centre.
- 6.8 Similarly, the Centre cultivated purposeful relationships with the universities and colleges in the city and planned progression routes for school leavers and adult learners alike. It provided opportunities for field placements for students, as well as on-the-job training and professional development for many of its own staff. Over the years, the Centre has kept abreast of government and local authority policy on a wide range of issues appertaining to its work and the provision it makes to the community. It has engaged in local and national debates on matters such as youth unemployment, youth justice, apprenticeships, multiculturalism, inter-faith dialogue, immigration and asylum, economic regeneration, anti-racism, schooling outcomes and much more besides.
- 6.9 As such, HCA is a city asset with a wealth of knowledge and experience and an understanding of community development and multi-ethnic engagement that Leicester could export, so that other cities and towns might be assisted in dealing with their own changing demographics and the challenges that they pose.
- 6.10 It would appear, however, that this is not how HCA is regarded by LCC now and it was not uppermost in the minds of councillors and officers when HCA determined it had come of age and wanted to renegotiate the relationship it had with LCC and opt for community governance status.
- 6.11 HCA experienced a degree of hostility to the idea both from council officers and from politicians. That assumed major proportions once Peter Soulsby was elected Mayor, albeit he was full of praise for the work HCA did when he was a Member of Parliament for Leicester South.
- 6.12 It is clearly the case that council officers were working amicably with the Highfields Centre staff in sorting out matters arising from the application for community governance status, both before and after it was granted. It is also clear that Mr Soulsby took to the airwaves and went to the press with claims that were not accurate, that affected the view the public had of HCA and its staff vis a vis the City Council and that did not reflect the joint work HCA and council officers had been doing.

6.13 This review has examined the detail of those engagements and has concluded that Mr Soulsby has absolutely no basis for proclaiming, as he has done to the media repeatedly:

"In all my years of experience of working with the council and in local government this has been the most difficult group I have ever experienced.

"They really haven't wanted to enter into any sensible discussion with us, behaving as if they have a right to be given this very large cheque and allowed to spend it however they wish."

6.14 Not only was this patently untrue, it was irresponsible and unworthy.

6.15 Similarly, given how Mr Soulsby conducted himself during the protracted negotiations about the renewal of the service agreement following the expiry of the original in November 2013, it really was a form of bullying for the Mayor's office to insist upon this clause in the draft new agreement:

'You shall maintain a positive, supportive working relationship with the Council in public and in private'.

For the Mayor's office to then tell the Scrutiny Commission that the clause requiring HCA to 'maintain a positive working relationship with the Council in public and in private...was added because of the experience during funding negotiations of HCA's adversarial approach to the Council as their principal funder' was simply further evidence of bullying conduct, especially given the disrespect with which the Mayor treated both the HCA managers and Jon Ashworth MP who intervened with the Mayor on the Centre's behalf.

6.16 Based on the evidence we examined, it is difficult to escape the conclusion that there was something wilful, if not vindictive and deliberately obstructive about a number of decisions taken by the Mayor's office, namely:

- the car park abutting on to the Highfields Centre
- the building works that pre-dated community governance, which LCC had a legal obligation to complete
- the decision not to allow HCA extra time to submit a revised business plan
- the insistence that it was part of the original agreement that HCA would be financially independent after the first 3 years, despite the Mayor not producing any evidence to substantiate that claim
- the relocation from the Centre of services that had been built up there, without regard for the impact of that on the users concerned
- the misrepresentation of HCA's position on room hire and the representation of the organisation as money-grabbing and expecting LCC to write a blank cheque
- the unqualified claims in respect of the Centre's reserved fund and the suggestion that HCA is 'stashing away' monies it receives from LCC
- the total lack of acknowledgment of the fact that there were several months' delays due to Mr Soulsby's failure to deal with matters presented to him by officers subsequent to careful and detailed work with HCA staff, during which time the Centre was thrown into confusion about its funding

6.17 Some of those delays were not in the least surprising for a Mayor who it would appear is insistent upon micro-managing everything to do with HCA and the Highfields Centre and

whose officers struggle to get a decision from him even after they have done the preparatory work with the total cooperation of the staff at the Highfields Centre.

- 6.18 Reading the Leicester Mercury extensively before commencing this review, as well as other reports about Mr Soulsby's mayoralty, one could not help but be struck by the tone of his remarks about others and similarly those of others about him. It is a matter of concern that an elected mayor who combines the roles of Council Leader, Chief Executive and the outward facing representative of/ambassador for the City of Leicester could engage in such exchanges in the media.
- 6.19 It is even more concerning that the Mayor appears to be surrounded by a culture of fear that clearly constrains both elected representatives and officers. Given the challenges facing the population of Highfields, it is surely not right that a group of councillors serving those communities feel constrained to talk freely among themselves about the area, the City Council's role in relation to it and the way the HCA works with its communities, let alone to tell the Mayor how they feel the relationship between LCC and HCA might be rebuilt.
- 6.20 There are numerous matters in this report which it would have been enormously helpful to have comments upon both from the Mayor and from Council officers. The Mayor replied on all LCC officers' behalf to my letters requesting interviews. I have prepared this report, therefore, having regard to the documents Mr Soulsby sent me and those from LCC that were part of HCA's records.
- 6.21 The Highfields Centre is a major resource in Leicester City and serves a population that is increasingly vital to the social, cultural and economic future of the City. It has a great deal of history to draw upon and a lot to teach and to share, especially with other projects and communities elsewhere in Leicester. My plea is that the Mayor will make every effort to facilitate the Highfields Centre to continue providing key services to the people of Highfields, working in a genuine partnership and as LCC has done even in the recent past, supporting HCA in its efforts to generate income from sources other than the Council.
- 6.22 It is surely unacceptable that the HCA is seeking to establish a business development arm and to use available channels to draw down government and other funding without the endorsement of Leicester City Council and its elected Mayor. The people of Highfields deserve better from their political and civic leaders. Delivering better services and enhancing the quality of life and the life chances of the people in those communities is in my view both a political responsibility and a moral imperative.
- 6.23 Finally, this report raises a number of critical issues regarding the elected mayor construct. Leicester was the first city outside London to adopt the system. I believe the city owes it to itself, its population and the country to conduct a full appraisal of the implementation of the system and of its impact upon governance, service delivery, the confidence of the citizenry in its political leaders and managers and above all, democratic representation and democratic participation.
- 6.24 This has been a review of one major, community based organisation and its relationship with the City Council. Insofar as it has given rise to a number of serious concerns about the dynamics of that relationship and to matters that have far wider implications for the relationship between people and those whom they elect to represent them, I hope it will be viewed as a 'case study' of the elected mayor system in one provincial city.

7.00 Recommendations

- i) That all the staff and volunteers at the Highfields Centre be given a token, however modest, of the HCA's appreciation of their hard work, dedication and loyalty during the hiatus that followed LCC's suspension of HCA's funding and decision to have no further engagement with the Centre.
- ii) That the HCA governing body convene a meeting with the Uplands Schools and discuss the resumption of HCA's use of the car park and whatever financial matters arise from that. In addition, the meeting should be used as an opportunity to strengthen links and discuss broader synergy between HCA and Uplands Schools in terms of the services provided to students, families and the community by all three institutions, as pillars of the community.
- iii) That a joint delegation of the Schools' Governors and the HCA Governing Body meet with local councillors and request that the Councillors within whose ward the Centre and schools fall, lead that delegation to meet with the City Mayor and officers to reinstate the contract
- iv) That LCC be reminded that Planning Permission was granted for the extension of the Highfields Centre based in part on evidence that the car park would be available to the Centre, especially after school hours and at weekends
- v) That HCA revisit its Business Plan in the light of the planned use of the refurbished Centre and the new income streams that those refurbishments would generate
- vi) That HCA grows its Business Development arm and determine what business development activities will take place at the Centre itself and what services it will seek to sell externally, including exploring scope for a closer relationship with the private sector (hosting leadership training and diversity awareness workshops etc), the University of Leicester and De Montfort University, Leicester City Football Club and Leicestershire Police
- vii) That HCA decide which neighbourhood services it will continue to offer at the Centre, which will attract funding based upon the profile of the groups to whom those services are targeted and which will be offered on a pay-as-you-go basis
- viii) That fund raising targets are set to enable a review of the management structure at the Centre to consolidate the actions already effected as a part of the EESE measures (see 6.45 a) above) to achieve the following:
 - Furzana Khalifa to be Joint Head of Centre (Lifelong Learning & Neighbourhood Services) with responsibility for the day to day management of the Centre
 - Alfred Bawak to be Joint Head of Centre (Business Development & Income Generation) with responsibility for growing the Business Development arm; working with corporates to secure Corporate Social Responsibility commitments and regular gifting, providing entrepreneurship training & handholding, etc.)

- Priya Thamootheram to be Senior Joint Head of Centre, with responsibility for providing oversight, monitoring policy developments, providing training and professional development for external agencies, including schools; providing executive coaching/mentoring to organisations and acting as a roving ambassador for HCA
- ix) That a feasibility study is done, in-house, to scope what the Highfields Centre might look like as a Transforming Neighbourhood Services (TNS) hub/one-stop-shop, including bringing the Library into the Centre and using the current Library space for a café with internet access; having discussions with LCC and others about services they currently provide; linking with De Montfort University and the University of Leicester about full and part time courses
 - x) That once such a study is completed, a meeting is called of local councillors to discuss the results and a commitment is extracted from them to discuss TNS in Highfields and the feasibility of the Highfields Centre as the TNS hub for the Highfields area.
 - xi) That in the light of the issues raised in this review, especially in 9.0 – 11.00 above, this report or a summary of it be sent to the Department for Communities & Local Government with specific reference to the issue of democratic accountability and the elected mayor structure
 - xii) That this report be sent to Jeremy Corbyn MP (Leader, Labour Party), with a request that he take a personal interest in what is happening in Leicester as far as the operation of the elected mayor system is concerned and review the Labour Party's position on elected mayors.
 - xiii) As the review concerns the actions of a Labour city council, the report should be sent to:
 - (a) Dawn Butler MP, shadow minister for Diverse Communities, as an example of the effects of service cuts on these communities and how decisions are made about such cuts in the case of a city with an elected mayor;
 - (b) Teresa Pearce MP, shadow secretary of state for Communities and Local Government, as it concerns the key issue of accountability and democratic process at local level, and an accusation of broad failings amongst Labour councillors, potentially due to a threatening work environment;
 - (c) Diane Abbott MP, shadow Home Secretary, as it concerns failings within local government at a time of austerity, when the need for efficient interaction and cooperation between councils and service providers is more urgent.
 - xiv) The report has serious implications for how a Big Society push needs to be challenged in instances where the transitional structures are not in place to help service providers adapt to changes and put in place sustainable models for using community assets to the best advantage of their communities. As such, HCA should seek to engage with Locality and with the Local Government Association and together consider the implications of this review for communities and local government.