

COUNTY COUNCIL MEETING – 8TH JULY 2020
POSITION STATEMENT FROM THE LEADER OF THE COUNCIL

COVID-19

These last few months have been the biggest challenge of our lifetime and this challenge continues. I would like to begin by saying that my thoughts, and no doubt those of all members of this Council, are with those who have lost loved ones.

Elsewhere on this agenda is a report on Covid-19 recovery and the financial impact this has had and is having on the Council. I do not intend to cover these aspects in any great detail in my statement save to say that you can be rest assured that I am making every effort to ensure that the financial impact of the virus is brought to the attention of our Members of Parliament and the Government. It is vital this message gets through and Byron Rhodes will say more on this.

Whilst Covid-19 has had a devastating impact it is heartening to see how people and, in particular, the public sector have responded and risen to the challenge. I clearly cannot cover all services and staff but I thought it would only be right to highlight some of the remarkable work undertaken.

- Ensuring that the thousands of volunteers and people and communities needing help were brought together;
- Establishing and distributing the £1.5million Communities Fund which has supported 160 groups to carry on with their vital work despite the inevitable impact coronavirus has had on their finances;
- Supporting and ensuring that the 25,000 people on the Government's shielded list were contacted and provided with the support they needed including food and prescriptions;

- Providing daily support to care homes which have been severely affected;
- Our children social care teams who continued to carry out vital visits and online contacts to keep vulnerable children safe and to our foster carers for their positivity and resilience;
- Our schools' staff who continued to provide innovative teaching on line programmes to all children and opening schools throughout this period (including school holidays) so essential workers could continue to work. Schools went beyond what is normally expected of them and they have been at the heart of their local communities providing support to families in need;
- Undertaking essential highway maintenance so that our roads remain safe;
- Working to prevent vulnerable people falling victim to scams and substandard goods.

Underpinning all this, is the work of our back-office staff. From IT to finance and from emergency planners to school food, they provide the important foundations.

And, of course, some of those services are now additionally affected by the lockdown.

Lockdown of Leicester and surrounding areas

On Monday, 29th June the Secretary of State for Health reported a high number of positive cases in Leicester, much higher than the national average. The statement by the Secretary of State included the following: "These Leicester-specific measures will apply not just to the city of Leicester, but also to the surrounding conurbation, including for example, Oadby, Birstall and Glenfield."

I have previously described how the map had to be drawn up in a matter of hours and that it was based on ONS (Urban/Rural Classification) data defining the area around Leicester as an 'urban area', plus expert advice from Public Health England epidemiologists about the potential spread of the virus.

I am well aware that any map drawn up in these circumstances would be unpopular in some quarters, but I hope anyone will recognise that a deadly virus does not respect administrative boundaries.

I would like to take this opportunity to advise members that although cases in Leicestershire are a lot lower than two months ago, the rate of cases has not decreased as quickly, or as far, as other areas. Overall, Leicestershire has had the 14th highest rate of new cases in the last seven days of all upper tier local authorities. In the context of the debate on the lockdown area, it is important to note that Leicestershire is far from out of the woods.

Baroness Dido Harding, who is leading the Government's test and trace programme, visited Leicester last Monday. She was very helpful in her understanding of the local situation and spoke of our impressive partnership working, as did the Secretary of State, Matt Hancock, in Parliament yesterday in response to a question from Dr Luke Evans MP. I thanked the Secretary of State when I spoke to him on a call later.

As I said a few days ago, I would be disappointed if anyone sought to exploit what has happened for any purposes which deflect from what the County Council is trying to do to help the Government and protect our citizens. Now is the time for political and community leaders (and that includes all Leicestershire Councillors be they County, District or Parish) to come together and show leadership so that we can work with our communities to address this challenge and do all we can to support and protect the people we serve.

I would echo the comments of the Lord Lieutenant who in his open letter urged everyone to work together, to avoid the promotion of a divide between the City and County and for calmer attitudes to prevail. Baroness Harding was aware of what the Lord-Lieutenant had written and thought he was right to do so.

Finally, can I thank everyone in the protected area of Leicester and its surrounds for their compliance with the current lockdown rules which are in place. Outside of the protected area the vast majority have complied with the Government guidelines, acted responsibly and observed social distancing. Sadly, there were a number of incidents and a serious problem in Market Harborough where the Police were forced to put in place a dispersal order. I would remind people that unless we adhere to the guidance, we certainly risk a further spike in the virus.

Economic Recovery

To date the pandemic has had a particularly devastating impact on our older residents but the longer-term consequences are likely to fall most harshly on the young. It will be the 18 to 24 year olds who may be most adversely affected by the economic and employment impacts of the pandemic and the long-term financial cost of the crisis will be picked up disproportionately by younger people. It's our role to support them, to give them the right skills and to find them good quality jobs.

As is already evident the economic impact has been severe with the latest figures showing that the number of people claiming out of work benefits has more than doubled to nearly 19,000 and one in four working people across the

county have been furloughed. Those in elementary and customer service trades have been hardest hit to date.

A partnership response, involving councils, businesses, the Government, and colleges will be key. The LLEP, our local enterprise partnership, is leading for the county and city and the County Council is playing a key role in supporting that work. The LLEP has put in place an economic recovery strategy and is chairing an Economic Recovery Cell which forms part of the Local Resilience Forum's response. The Council has swung into action quickly too. For example, we're making changes in town centres to support businesses and we're about to launch a £750,000 grant scheme, funded from the business rates pool, which will support town and rural businesses get back on their feet. Our services are also looking at ways to deliver in ways that support business recovery.

I note that the Prime Minister has also recognised the severe impact of Covid-19 and the need to grow our way out of this current crisis. There is increasing talk of investment in infrastructure and what is referred to as 'shovel ready' schemes. The County Council stands ready to work with Government and is well placed in having several such schemes that our Growth Unit has been developing over the last few months.

The extension of the lockdown to parts of the County has naturally affected the businesses within. I know the Government are sympathetic and anxious to provide support through existing and possible other measures.

Devolution

At the virtual LGA Conference the Rt Hon Simon Clarke MP Minister of State (Minister for Regional Growth and Local Government) reported that the

Government intends to embark on the *'most ambitious devolution deal in 70 years'*. He stated that whilst Elected Mayors would not be the only model of devolution he believed that they were the best. He indicated that he would work with local areas and discuss what is best but would give the most generous deals in terms of funding and powers to areas that take up the mayoral model. Alongside mayors he is also looking for a bigger role for town and parish councils.

In terms of minimum size for any new unitary authority he indicated that 300,000 to 400,000 is the floor and that he had begun discussion with officials on the question of optimum size.

A devolution White Paper is likely to appear in the Autumn and, if it does, I believe that the Council would need to look at any devolution deal very seriously. The County Council has already undertaken a significant amount of work on developing a robust business case for a single unitary council for Leicestershire with greater powers for town and parish councils. That business case also demonstrated the significant financial savings, in the order of £30million ongoing, that a single unitary would bring. Local Government faces severe, long-term financial challenges and these are likely to get worse. I agree with the Minister of State that we need to consider "how we can best govern maximum accountability and least cost to the taxpayer".

I have previously said that I am supportive of a 6Cs model of an elected mayor, plus unitary authorities to make it work. What the East Midlands needs to do to get its act together. For far too long our two-tier structure has held us back and we have lost out big style to other areas already with Devo deals. It is time that changed. Locally we need to create a Council for Leicestershire which is fit for the 21st Century, improves services, reduces confusion and duplication and gets a better deal for our residents.

Melton Mowbray Distributor Road

Since the last County Council meeting, Melton Borough Council (MBC) has turned down an offer from the County Council to undertake a masterplanning exercise at our expense intended to focus on the viability of Melton's South Sustainable Neighbourhood. MBC then did its own plan and took it to their Cabinet. They were advised by the County Council that as a consultee we saw nothing in the masterplan that suggested the South Neighbourhood was financially viable but no reference to the County Council's view was made in their Cabinet meeting, which approved the masterplan.

The Director of Law and Governance drew Cabinet's attention to her concerns about how MBC's decision was taken. At that meeting on 23rd June Cabinet was advised to say again that we are not in a position to accept the grant offer from Homes England to support the construction of the southern leg of the MMDR. Financial viability is crucial since the County Council's investment in the form of forward funding at a difficult financial time would have to be repaid in developer contributions. Clearly any concerns about viability would impact on that and we were also concerned that the masterplan gave no indication about timescales for delivery of the neighbourhood development.

This is particularly disappointing since MBC were advised of the County Council's estimates of what would be required from developer contributions for education and highway infrastructure. Even those would test the financial viability of the scheme and that is before we know what MBC themselves require from developer contributions and what would be required by the NHS, and the Police and utility companies.

If MBC had accepted the County Council's offer last March for us to do a masterplan at our own expense, I do not believe that the current situation would have arisen.

Less anyone should think that the County Council is being unfair to Melton, the County Council's commitment (and potential financial exposure) to deliver the scale of infrastructure required to support growth in Melton is around £160m gross investment – broadly £100m for roads and £60m for schools, with those costs expected to rise post Covid-19. Even after allowing for potential grant funding, the Council's exposure would still be in the order of £100m – a scale of forward funding way in excess of anything we have committed to previously.

Ivan Ould CC

As members will be aware Ivan Ould has decided to retire from his role as Cabinet Lead Member for Children and Families and Community Safety. Ivan has been on the Cabinet since 2001 when it was formally established under the powers granted by the Local Government Act 2000. Prior to that he was the joint Lead Member (with Simon Galton) for the Education Department when the Joint Administration was formed in 1999. Ivan became the designated Lead Member for Children's Services from July 2005, following the legislation of 2004.

Ivan is the longest serving member on the Cabinet and during his tenure he has successfully overseen some significant changes in the service. Ivan has had a relentless focus on improving educational standards within schools and the fact that today we have some of the best schools and educational achievements is down to Ivan.

Ivan has also been an advocate and champion for all children and, in particular, children in care and care leavers and has worked hard to ensure that support and resources for this group of children was protected.

From a personal point of view, I will miss Ivan's good counsel and his attention to detail. I am pleased that Ivan will still be around to provide advice and support as we move forward in this difficult time.

I am sure all members of the Council, regardless of their political persuasion, will recognise the significant contribution that Ivan has made to the Council.

**N. Rushton CC
Leader of the Council**

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