

Minutes of a meeting of the Cabinet held via Microsoft Teams on Friday, 5 February 2021.

PRESENT

Mr. N. J. Rushton CC (in the Chair)

Mr. R. Blunt CC
Mr. L. Breckon JP CC
Mr. B. L. Pain CC
Mr. T. J. Pendleton CC

Mr. J. B. Rhodes CC
Mrs H. L. Richardson CC
Mr. R. J. Shepherd CC
Mrs D. Taylor CC

In attendance

Mr. O. O'Shea CC, Mrs C. Radford CC, Mrs B. Seaton CC, Mrs M. Wright CC, Dr. T. Eynon CC

479. Minutes of the previous meeting.

The minutes of the meeting held on 15 December 2020 were taken as read, confirmed and signed.

480. Urgent items.

The Chairman advised that there was one urgent item for consideration, a report of the Director of Corporate Resources titled "Disposal of Land at Lake Terrace, Melton Mowbray". The report was urgent as the matter had arisen after the agenda for the Cabinet meeting had been circulated and it related to a housing development which was planned to commence before the Cabinet met again in March.

It was noted that the Chairman of the Scrutiny Commission had agreed to the report being considered.

With the agreement of the Cabinet the report was taken under agenda item 13 (minute 491 below refers).

481. Declarations of interest.

The Chairman invited members who wished to do so to declare any interest in respect of items on the agenda for the meeting.

With regard to agenda item 4 - the Medium Term Financial Strategy - Mr. B. L. Pain CC declared a personal interest with regard to passenger transport issues as relatives owned a local taxi company. Those Cabinet members who were also members of district councils each declared a personal interest this item, namely: Mr. N. J. Rushton CC, Mr. R. Blunt CC, Mr. L. Breckon CC, Mrs L. Richardson CC, Mr. R. Shepherd CC and Mrs D. Taylor CC.

482. Provisional Medium Term Financial Strategy 2021/22 to 2024/25.

The Cabinet considered a report of the Director of Corporate Resources concerning the Council's proposed 2021/22 to 2024/25 Medium Term Financial Strategy (MTFS), following consideration of the draft MTFS by the Overview and Scrutiny bodies and receipt of the Local Government Finance Settlement. A copy of the report, marked 'Agenda Item 4', is filed with these minutes.

It was noted that the Corporate Governance Committee at its meeting on 29 January had agreed the Risk Management and Treasury Management Strategies (Appendices I and N to the report).

The Director reported that the final Settlement had been received the previous day and would result in no significant changes to the proposals.

Mr. Rhodes CC said that the Adult Social Care precept increase was essential to enable the Council to balance its budget in 2021/22 and 2022/23. The Council was financially vulnerable and he was concerned that there was little room for manoeuvre if problems arose in the future, for example in connection with the funding of infrastructure.

RESOLVED:

- (i) That the comments of the Overview and Scrutiny Committees and the Scrutiny Commission as set out in Appendix P to the report be noted;
- (ii) That the following be recommended to the County Council:
 - a) That subject to the items below, approval be given to the Medium Term Financial Strategy (MTFS) which incorporates the recommended revenue budget for 2021/22 totalling £399m as set out in Appendices A, B and E of the report and includes the growth and savings for that year as set out in Appendix C;
 - b) That approval be given to the projected provisional revenue budgets for 2022/23, 2023/24 and 2024/25 set out in Appendix B to the report, including the growth and savings for those years as set out in Appendix C, allowing the undertaking of preliminary work, including business case development, consultation and equality and human rights impact assessments, as may be necessary towards achieving the savings specified for those years including savings under development, set out in Appendix D;
 - c) That approval be given to the early achievement of savings that are included in the MTFS, as may be necessary, along with associated investment costs, subject to the Director of Corporate Resources agreeing to funding being available;
 - d) That the level of the general fund and earmarked funds as set out in Appendix K be noted and the use of those earmarked funds as indicated in that appendix be approved;
 - e) That the amounts of the County Council's Council Tax for each band of dwelling and the precept payable by each billing authority for 2021/22 be as set out in Appendix M (including 3% for the adult social care precept);

- f) That the Chief Executive be authorised to issue the necessary precepts to billing authorities in accordance with the budget requirement above and the tax base notified by the District Councils, and to take any other action which may be necessary to give effect to the precepts;
- g) That approval be given to the 2021/22 to 2024/25 capital programme as set out in Appendix F;
- h) That the Director of Corporate Resources following consultation with the Lead Member for Resources be authorised to approve new capital schemes, including revenue costs associated with their delivery, shown as future developments in the capital programme, to be funded from funding available;
- i) That the financial indicators required under the Prudential Code included in Appendix N, Annex 2 be noted and that the following limits be approved:

	2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m
Operational boundary for external debt				
i) Borrowing	263	263	262	262
ii) Other long term liabilities	1	1	1	1
TOTAL	264	264	263	263
Authorised limit for external debt				
i) Borrowing	273	273	272	272
ii) Other long term liabilities	1	1	1	1
TOTAL	274	274	273	273

- j) That the Director of Corporate Resources be authorised to effect movement within the authorised limit for external debt between borrowing and other long-term liabilities;
- k) That the following borrowing limits be approved for the period 2021/22 to 2024/25:
- (i) Upper limit on fixed interest exposures 100%;
- (ii) Upper limit on variable rate exposures 50%;
- (iii) Maturity of borrowing:-

	<u>Upper Limit</u>	<u>Lower Limit</u>
	%	%
Under 12 months	30	0
12 months and within 24 months	30	0
24 months and within 5 years	50	0
5 years and within 10 years	70	0
10 years and above	100	25

- (iv) An upper limit for principal sums invested for periods longer than 364 days is 10% of the portfolio;

- l) That the Director of Corporate Resources be authorised to enter into such loans or undertake such arrangements as necessary to finance capital payments in 2021/22, subject to the prudential limits in Appendix N;
- m) That the Treasury Management Strategy Statement and the Annual Investment Strategy for 2021/22, as set out in Appendix N, be approved including:
 - (i) The Treasury Management Policy Statement, Appendix N; Annex 4;
 - (ii) The Annual Statement of the Annual Minimum Revenue Provision as set out in Appendix N, Annex 1;
- n) That the Capital Strategy (Appendix G), Corporate Asset Investment Fund Strategy (Appendix H), Risk Management Policy and Strategy (Appendix I), Earmarked Funds Policy (Appendix J) and Insurance Policy (Appendix L) be approved;
- o) That it be noted that the Leicester and Leicestershire Business Rate Pool will continue for 2021/22;
- p) That the Director of Corporate Resources following consultation with the Lead Member for Resources be authorised to make any changes to the provisional MTFs which may be required as a result of changes arising between the Cabinet and County Council meetings, noting that any changes will be reported to the County Council on 17th February 2021;
- q) That it be noted that following the enactment of the relevant legislation a report will be presented to the Council's Constitution Committee and thereafter to the County Council regarding the proposed addition to the County Council's Constitution (Part 2, Article 12.04) to confirm that the Director of Corporate Resources, as the Chief Financial Officer, is the Responsible Officer for the Leicestershire County Council Local Government Pension Scheme;
- r) That the Leicestershire School Funding Formula remains unchanged and continues to reflect the National Funding Formula for 2021/22.

(KEY DECISION)

REASONS FOR DECISION:

To enable the County Council to meet its statutory requirements with respect to setting a budget and Council Tax precept for 2021/22, to allow efficient financial administration during 2021/22, and to provide a basis for the planning of services over the next four years.

Continuing an unchanged Leicestershire School Funding Formula for 2021/22 will ensure that it fully reflects the National Funding Formula.

483. Supporting Economic Recovery in Leicestershire.

The Cabinet considered a report of the Chief Executive regarding proposed action to support economic recovery to be taken by the Council to respond to the impact of Covid-19, including participation in the national Kickstart scheme, support for people seeking

work, and Broadband improvements. A copy of the report, marked 'Agenda Item 5', is filed with these minutes.

Comments of the Scrutiny Commission, which considered the proposals at its meeting on 25 January were circulated separately and a copy is filed with these minutes.

The Chairman supported the provision of additional funding to allow the Kickstart placements to run for 12 months and was pleased to be working with Leicester City Council on the scheme.

Mr. Pain CC said that the Council was committed to extending superfast broadband access to rural areas. He noted that the pandemic had resulted in some benefits for the environment and was pleased that the Council's broader environmental commitments would be reflected in its approach to economic recovery.

The Chairman agreed with Mrs Taylor CC that Community Libraries as well as the Council-run libraries should be involved in the delivery of the Work+ scheme.

RESOLVED:

- a) That the comments of the Scrutiny Commission be noted;
- b) That the proposal for the County Council to act as a Kickstart Gateway (in partnership with Leicester City Council) to provide placements within the Council, extended to 12 months duration, and to support Leicestershire SMEs (small and medium-sized enterprises) in also offering extended placements, be agreed;
- c) That the proposal for the Council to establish a two-year Work+ project to support individuals actively looking for employment to become work-ready be agreed;
- d) That the Council's role in providing support for businesses including the Business Recovery Grant and the Community Pub programme be noted;
- e) That the Council's continued support for the roll-out of the broadband programme in Leicestershire be noted;
- f) That the principles set out in paragraphs 63 and 64 of the report, to ensure that Council's actions deliver a green economic recovery, are supported;
- g) That funding for the measures outlined above as set out in paragraph 72 of the report be agreed.

REASONS FOR DECISION:

The impact of the Covid-19 pandemic is unprecedented. Unlike other economic shocks, it is ongoing and volatile with the likelihood of repeated lockdowns giving rise to high levels of uncertainty. Evidence collected reinforces the view that Leicestershire businesses have been severely impacted, for some sectors more than others.

It has been widely recognised that young workers (aged up to 25) are likely to be particularly disadvantaged by any downturn in the economy. They are the highest percentage of job seekers allowance claimants by age group, and young women are particularly disadvantaged as they are more likely to work in the hospitality or retail

sectors. Evidence shows that this age group is likely to be the hardest hit for several reasons including missing education, a reduction in apprenticeship opportunities, a more competitive labour market, and lack of workplace digital skills.

Working practices have changed with many more people now working from home, reducing the use of public transport and interaction with others in the workplace. Good digital connectivity in all areas of the County is essential to enable businesses to continue to operate effectively, innovate and grow.

Delivering actions necessary to support economic recovery also provides an opportunity to consider how the Council's commitment to carbon reduction can be embedded into those activities.

484. Scrutiny Review Panel on Flooding.

The Cabinet considered a report of the Chief Executive regarding the key findings and recommendations of the Scrutiny Review Panel on Flooding. A copy of the report, marked 'Agenda Item 6', is filed with these minutes.

Mrs M. Wright CC, Chair of the Scrutiny Review Panel, attended the meeting to present the report. She said that the Panel had been created in response to some significant flooding in 2019 to examine the Council's role as the Lead Local Flood Authority (LLFA). Mrs Wright explained that the Council's powers were more limited than this title suggested but it had a key role in liaising with partner organisations and helping local residents and businesses to prepare for and respond to flooding incidents. The Environment and Transport Overview and Scrutiny Committee had endorsed the Panel's findings.

Mr. Pendleton CC thanked the Panel for its work. He regretted that whilst the Council as LLFA could investigate flooding events, it had no powers to require others to take action. However County-wide mapping of flooding was being undertaken, to be considered with partner agencies later in the year.

Members commented that climate change was generally acknowledged to be increasing the incidence of flooding and noted the necessity for appropriate infrastructure to mitigate the risk.

RESOLVED:

- a) That the Final Report of the Scrutiny Review Panel be noted and its recommendations approved;
- b) That representations be made to the Government to strengthen the legislation to enable the County Council as LLFA to require relevant agencies to complete mitigating measures arising from Section 19 reports;
- c) That the Chief Executive be requested to ensure that the recommendations of the Review are acted upon.

(KEY DECISION)

REASONS FOR DECISION:

The Panel's recommendations will strengthen the Council's engagement with risk management authorities, communities and residents and promote resiliency.

485. Hinckley National Rail Freight Interchange.

The Cabinet considered a report of the Chief Executive regarding the proposed Hinckley National Rail Freight Interchange (HNRFI) and the risks associated with the proposed timetable for the project put forward by the developer, Tritax Symmetry (formerly known as DB Symmetry). A copy of the report, marked 'Agenda Item 7', and a supplementary report are filed with these minutes.

Members noted comments from Messrs D. C. Bill MBE CC, Mr. S. Bray CC and Mr. M. Mullaney CC, a copy of which is filed with these minutes.

With the permission of the Chairman, Mrs M. Wright CC, the local member, spoke on the reports. Mrs Wright noted that scant detail had been provided by the developer and questioned how the proposal accorded with the National Policy Statement on sustainability for such national developments. She cited a range of issues including traffic congestion and pollution which had given rise to great concern among local communities since the HNFRI was first mooted two years previously. Mrs Wright agreed with the concerns set out in the supplementary report and hoped that the Council would work with Blaby District Council to ensure that there was comprehensive modelling and assessment of the proposals and mitigation required and to engage with residents.

It was moved by the Chairman and seconded by Mr. Pain CC that recommendation (b) in the supplementary report be amended to state that the Council would object to the proposed development if its concerns continued to be disregarded by Tritax Symmetry.

RESOLVED:

- a) That the concerns and views set out in paragraph 29 of the supplementary report be communicated to and discussed with the developer, in particular:
 - (i) The developer's current planned timetable;
 - (ii) The Council's desire to secure a Planning Performance Agreement with the developer that provides certainty regarding both the HNRFI project programme and the financial contributions required to cover the Council's costs in responding to the developer's proposals; and
 - (iii) Concerns regarding the developer's proposed approach to providing evidence in respect of highways and transport issues for consideration by the Planning Inspectorate;
- b) That the Developer and Planning Inspectorate be informed of the Council's concerns resulting from the developer's submission timeline and that, if the applicant continues to disregard these concerns, the Council will object to the proposal;
- c) That the County Council engages with Blaby District Council over the implications for Blaby District Council's emerging Local Plan in the event that a Development Consent Order is made by the Secretary of State approving the project.

REASONS FOR DECISION:

Before the Council can form a view on the proposals being put forward by the developer, particularly in relation to its statutory transport responsibilities, it needs to undertake substantial assessment of key information. The decision above sets out the initial actions required to enable the County Council to effectively fulfil its statutory consultee roles and if the application is accepted, to fully participate in the Development Consent Order (DCO) process.

Resolution of concerns regarding the timing of the submission of information from the developer will help inform Council's contribution to the DCO process.

As a result of the scale of the proposal and the impact it would have on the local area, it is essential that the developer complies fully with the consultation requirements of the [planning] pre-application process so that local communities, including Parish Councils, are provided with up to date information.

486. Revised Corporate Asset Investment Fund Strategy 2021 to 2025.

The Cabinet considered a report of the Director of Corporate Resources regarding the outcome of an independent review of the revised Corporate Asset Investment Fund (CAIF) Strategy and seeking approval for the revised Strategy. A copy of the report, marked 'Agenda Item 8', is filed with these minutes.

Comments of the Scrutiny Commission, which had considered the revised Strategy at its meeting on 25 January, were circulated separately and a copy is filed with these minutes.

Mr. Rhodes CC said that he was pleased with the investment choices and performance. He stressed that the focus was on providing the Council with an income to provide services and meet its future liabilities and as such the security of investments and yields was a priority.

RESOLVED:

- a) That the comments of the Scrutiny Commission be noted;
- b) That the outcome of the review of the Corporate Asset Investment Fund Strategy be noted;
- c) That the Corporate Asset Investment Fund Strategy 2021-2025 be approved for submission to the Council as part of the Medium Term Financial Strategy 2021/22 to 2024/25.

(KEY DECISION)

REASONS FOR DECISION:

To note the outcome of the independent review of the CAIF Strategy carried out in December 2020 and to agree the revised Strategy for submission to full Council.

487. Technology Enabled Care.

The Cabinet considered a report of the Director of Adults and Communities concerning the Business Case for transforming the Council's approach to the use of Technology Enabled Care (TEC) across adult social care services. A copy of the report, marked 'Agenda Item 9', is filed with these minutes.

Mr. Blunt CC said proposals would help address the rising demand for adult social care, help staff to do their jobs better and enable better outcomes for service users whilst also making savings for the Authority. Working with Hampshire County Council which had a strong track record in using TEC would maximise the benefits.

RESOLVED:

- a) That the outcome of the diagnostic work undertaken by Hampshire County Council, detailed in Appendix A to the report, be noted;
- b) That the Business Case, including options for commissioning a technology partner to deliver a transformed county-wide service for Technology Enabled Care, attached to the report as Appendix B, be noted;
- c) That the Option 2 for the procurement of a TEC service, namely to commission this through a strategic partnership with Hampshire County Council as detailed in paragraphs 42 to 44 of the report be agreed;
- d) That the Director of Adults and Communities, following consultation with the Cabinet Lead Member for Adult Social Care, be authorised to make the appropriate arrangements to enter into a partnership with Hampshire County Council to commission a TEC service.

(KEY DECISION)

REASONS FOR DECISION:

The diagnostic analysis and subsequent Business Case indicates that financial benefits of between £2-5m are possible by the end of the 2025/26 financial year by increasing the numbers of service users being offered appropriate TEC service solutions to meet their outcomes and avoiding other commissioned care package costs with those service users. A saving at the lower end of the diagnostic findings has been assumed in the interests of prudence for the Business Case.

Hampshire County Council has a proven track record of maximising TEC across its services working with its partner PA/Argenti and offers a TEC partnership as part of its sold services offer.

488. Local Government and Social Care Ombudsman Report Regarding Nursery Charges.

The Cabinet considered a report of the Director of Law and Governance and Director of Children and Family Services concerning a report of the Local Government and Social Care Ombudsman (LGO) relating to the Council's operation of the Free Early Education Entitlement (FEEE) scheme with one local provider where the LGO had found fault by the Council which caused injustice to the complainant in the case. A copy of the report, marked 'Agenda Item 10', is filed with these minutes.

Mrs Taylor CC said that the Council had an obligation to ensure that in delivering the FEEE scheme participating nurseries were clear about their charging arrangements and was revising its guidance to nursery providers in light of the LGO report. She noted that the Ombudsman's recommendations had implications for other local authorities.

RESOLVED:

- a) That the public report of the Local Government and Social Care Ombudsman be noted;
- b) That the Director of Children and Family Services be required to implement the recommendations of the LGO as set out in paragraph 15 (a) to (c) of the report;
- c) That the position in relation to the recommendations of the LGO where the Council departs from those recommendations as set out in paragraphs 16 and 20 to 21 of the report be noted.

REASONS FOR DECISION:

To note the facts of the case and the various actions which the Council is taking in light of the Ombudsman's findings.

When a public report is issued by the LGO there is a statutory requirement that it is 'laid before the authority concerned', and there is an obligation for the Council to report back to the LGO to confirm this action has been taken.

489. Leicestershire's Policy on Admissions to Mainstream Schools: Determination of Admission Arrangements.

The Cabinet considered a report of the Director of Children and Family Services regarding Leicestershire's School Admissions Policy, Oversubscription Criteria, and associated coordinated admissions schemes, and the proposed reduction of the admission number at Martinshaw Primary School, Groby. A copy of the report, marked 'Agenda Item 11', is filed with these minutes.

With the permission of the Chairman, Mr. O. O'Shea CC spoke as the local member regarding the recommendations relating to Martinshaw Primary School. Mr. O'Shea noted that planning permission had been granted for around 250 houses in Ratby and was concerned that there would not be enough school spaces in the area.

The Director reassured members that there remained sufficient capacity for more pupils at Martinshaw and that the Authority could increase the admission number immediately if necessary. Mrs Taylor CC explained that the change was needed to avoid the School falling into a negative budget position.

RESOLVED:

- a) That the outcome of the consultation on changes to the admission number at Martinshaw Primary School be noted;
- b) That the admission number at Martinshaw Primary School be reduced from 45 to 30 pupils with effect from entry in September 2022;

- c) That the Leicestershire School Admissions Policy for entry from September 2022 and associated coordinated admissions schemes for first-time admissions, secondary transfers and mid-term transfers, as set out in Appendix A to the report, be approved.

REASONS FOR DECISION:

The School Standards and Framework Act 1988 places an obligation on the Council to determine the admission arrangements for community and voluntary controlled schools in Leicestershire. As the admitting authority the County Council is required to determine the admission arrangements for schools in Leicestershire from September 2022 by 28 February 2021.

The admission number reduction is sought owing to low birth rates from within Martinshaw Primary School's catchment; forecasts also show low intakes in the future. Reducing the admission number, it will help the school better plan the efficient provision of education and the efficient use of resources. If the change is not adopted the School will fall into a negative budget position.

Leicestershire's Admissions Arrangements must be determined by 28 February 2021 and be made available on the Council's website no later than 15 March 2021. This will provide all parents and carers over a year's notice to allow them to make informed preferences when applying for a school place from 2022.

490. Items referred from Overview and Scrutiny.

There were no items referred from the Overview and Scrutiny bodies.

491. Urgent item: Disposal of Land at Lake Terrace, Melton Mowbray.

The Cabinet considered a report of the Director of Corporate Resources regarding the disposal of County-Council-owned land at Lake Terrace, Melton Mowbray. The matter was urgent because it had arisen after the agenda for the meeting had been published and it related to a housing development which was planned to commence before the next Cabinet meeting in March. A copy of the report, marked 'Agenda Item 13', is filed with these minutes.

Members expressed some disappointment that the County Council's land ownership had not been given due and proper consideration and commented that, whilst the development of new homes was supported, the Authority had a duty to seek best value when selling its assets.

RESOLVED:

- a) That the Cabinet approves the disposal of the land at Lake Terrace, Melton Mowbray (shown as shaded pink and edged red on the plan attached as Appendix B to the report);
- b) That the Director of Corporate Resources, following consultation with the Cabinet Lead Member for Resources, be authorised to agree a 'best value' sum for the disposal of the land at a) above and finalise the disposal.

REASONS FOR DECISION:

In accordance with section 123 of the Local Government Act 1972, the County Council has an obligation to achieve 'best value' in the disposal of its land subject to various criteria set out in a General Disposal Consent Order.

The sale of the land will assist in delivering a housing scheme in Melton Mowbray which already has the benefit of a detailed planning permission from Melton Borough Council.

The sale is expected to generate a significant capital receipt for the County Council.

492. Exclusion of the Press and Public.

RESOLVED:

That under Section 100A of the Local Government Act 1972, the public be excluded for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in Paragraphs 1, 2, 3 and 10 of Part 1 of Schedule 12A of the Act and that, in all circumstances of the case, the public interest in maintaining the exemption outweighed the public interest in disclosing the information -

"Urgent Action Taken to Approve Loan Funding for Foster Carers (Connected Carers) and Policy Amendment".

493. Urgent Action Taken to Approve Loan Funding for Foster Carers (Connected Carers) and Policy Amendment.

The Cabinet considered an exempt report of the Director of Children and Family Services regarding urgent action taken by the Chief Executive to agree loan and grant funding towards the adaptation of a property owned by foster carers. The Cabinet was also asked to agree amendments to the Council policy document regarding Discretionary Payments and Capital Loans to Foster Carers and Adopters and to approve a delegation to the Director of Children and Family Services regarding authorised spending. A copy of the report, marked 'Agenda Item 15', is filed with these minutes.

RESOLVED:

- a) That the urgent action taken by the Chief Executive to approve a loan of up to £120,000 and a grant of up to £30,000 or additional monthly payment for each child towards accommodation, as indicated in the report on terms to be agreed with the Director of Children and Family Services following consultation with the Director of Law and Governance and the Director of Corporate Resources, be noted;
- b) That the Director of Children and Family Services be authorised to provide financial assistance by way of grants or loans to County Council registered foster carers and to recover such assistance, in respect of loans, in accordance with any agreed policy framework or statutory provision in force for the time being;
- c) That the Leicestershire Policy on Discretionary Payments and Capital Loans to Foster Carers and Adopters be amended in line with the findings of the Local Government Ombudsman and following advice from the Director of Law and Governance and to reflect the delegation at (b) above to the Director of Children and Family Services.

REASONS FOR DECISION:

Urgent action was taken on 13 January 2021 by the Chief Executive to make the offer to the foster carers. This needed to be done within a reasonable timescale following the Local Ombudsman findings and taking account of the timeframe for planning permission on the property. The Cabinet was not due to meet until 5 February.

The amendments to the Policy on Discretionary Payments and Capital Loans to Foster Carers and Adopters clarify existing practice and offer more flexible financial support for Carers.

The delegation gives the Director equivalent powers to the Director of Adults and Communities and avoids the need for reports to be submitted to the Cabinet for proposed loans/grants of over £50,000.

11.00 am - 12.37 pm
5 February 2021

CHAIRMAN