

Minutes of a meeting of the Cabinet held at County Hall, Glenfield on Friday, 27 May 2022.

PRESENT

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

Mrs D. Taylor CC  
Mrs. C. M. Radford CC  
Mr. O. O'Shea JP CC  
Mr. L. Breckon JP CC

Mrs H. L. Richardson CC  
Mrs. P. Posnett MBE CC  
Mr. P. Bedford CC

Apologies

Apologies for absence were reported on behalf of Mr. B. L. Pain CC and Mr. R. J. Shepherd CC

In attendance

Mr. R. Ashman CC, Mrs. B. Seaton CC, Mrs. M. Wright CC, Mrs. A. J. Hack CC, Mr. M. Mullaney CC, Mr. J. Poland CC.

135. Minutes of the previous meeting.

The minutes of the meeting held on 26 April 2022 were taken as read, confirmed and signed.

136. Urgent items.

There were no urgent items for consideration.

137. 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.

No declarations were made.

138. Provisional Revenue and Capital Outturn 2021/22.

The Cabinet considered a report of the Director of Corporate Resources which set out the provisional revenue and capital outturn for 2021/22. A copy of the report, marked 'Agenda Item 4', is filed with these minutes.

The Director referred to an additional recommendation which reflected concern about the affordability of the Capital Programme and rising inflation. District Councils (as the local planning authorities) needed to be aware that this would affect the County Council's ability to provide infrastructure to support growth.

Mr. Breckon CC acknowledged the good financial outcome for the year despite the challenges faced by all departments. He agreed with the use of the previous year's underspend and alluded to the importance of fairer funding from the Government.

**RESOLVED:**

- (a) That the 2021/22 provisional revenue and capital outturn be noted;
- (b) That the prudential indicators for 2021/22 as shown in Appendix E to the report be noted;
- (c) That the increasing pressures on the Capital Programme be noted with concern and that, in regard to infrastructure required to support housing and economic growth in the delivery of District Local Plans:
  - i) The affordability of major road schemes (A511 and Melton Mowbray Distributor Road North and East sections) included in the Capital Programme will be reviewed when contract prices are received;
  - ii) In the case of the other highway schemes not in the Capital Programme, financial risk will be managed by the County Council only committing to construction upon receipt of funds from developers, noting that increased congestion may result, although the County Council as local highway authority will seek to mitigate the impact through the formal planning process;
  - iii) In the case of education provision, (i) the County Council will meet its statutory requirement to provide school places, whilst (ii) financial risk will be managed through stronger risk transfer to developers, noting that additional school places required may have to be through transport of pupils to existing schools; and
  - iv) The District Councils as the promoters and owners of Local Plans be advised accordingly;
- (d) That the net underspend of £7.9m be used for the additional commitments as specified in the report, namely –
  - £3.6m – budget equalisation reserve for additional risks,
  - £1.1m – contribution to the Transformation earmarked fund,
  - £3.2m – budget equalisation reserve, for the increased risk of inflation.

**(KEY DECISION)**

**REASONS FOR DECISION:**

To note the provisional revenue and capital outturn for 2021/22.

To advise local planning authorities of the increasing pressures on the Capital Programme, particularly in regard to infrastructure required to support housing and economic growth in the delivery of District Local Plans.

The use of the underspend as indicated will help address some of the financial risks.

139. Draft Leicester, Leicestershire and Rutland Carers Strategy 2022-25.

The Cabinet considered a joint report of the Director of Adults and Communities, Director of Children and Family Services, and Director of Public Health which detailed the outcome of engagement with carers and sought approval to consult on the draft joint Leicester, Leicestershire and Rutland Carer's Strategy 2022-25. A copy of the report, marked 'Agenda Item 5', is filed with these minutes.

Mrs. Radford CC emphasised the importance of carers. Mrs. Taylor CC stressed the need to support young carers and to ensure that they engaged with the consultation.

RESOLVED:

- (a) That the outcome of the engagement report findings, attached as Appendix A, be noted;
- (b) That the draft joint Leicester, Leicestershire, and Rutland (LLR) Carers Strategy 2022-2025, attached as Appendix B, be approved for a formal six-week joint consultation;
- (c) That the draft Leicestershire Action Plan, attached as Appendix D, be noted (to be published alongside the draft Strategy during the consultation period);
- (d) That a further report be submitted to the Cabinet in the autumn presenting the outcome of the consultation, the final LLR Carers Strategy and supporting action plan for approval.

REASONS FOR DECISION:

An engagement exercise undertaken during the summer of 2021 demonstrated that Leicestershire Carers continue to identify with the priorities contained in the 2018-2021 Strategy.

The Directors of Adults and Communities, Children and Family Services and Public Health require the Cabinet's approval to undertake a formal joint consultation alongside the partner Councils and CCGs on the priorities and actions identified for supporting unpaid carers.

Amendments may be required to the draft Strategy following the consultation and approval of these is a matter for the Cabinet.

140. Exception to Contract Procedure Rules - Urgent Action taken by the Chief Executive in Relation to Minor Adaptations.

The Cabinet considered a report of the Director of Adults and Communities which advised of urgent action taken by the Chief Executive to agree an exception to the Council's Contract Procedure Rules and directly award contracts to suppliers providing minor adaptations. A copy of the report, marked 'Agenda Item 6', is filed with these minutes.

RESOLVED:

That the Cabinet notes the urgent action taken by the Chief Executive to directly award by exception, in accordance with Contract Procedure Rule 6b(ii), contracts for a period of six months (to commence by no later than 31 May 2022) and with an option to extend by two additional periods of no more than three months each, to deliver minor adaptations for older and disabled people at home.

#### REASONS FOR DECISION:

The Council's Constitution (Contract Procedure Rule 6 (b)) provides that exceptions to the Contract Procedure Rules may be made by the Cabinet where it is satisfied that an exception is justified on its merits and that in urgent cases the Chief Executive (after consultation with the Leader or Deputy Leader save where this is not practicable) may direct that an exception be made subject to it being reported to the Cabinet.

The exception was necessary because the current contract with the four providers had already been extended previously and a further extension is not possible if compliance with the Public Contract Regulations 2015 is to be maintained. The direct award of the contract will be compliant with the Regulations and allow the necessary time to undertake a full re-procurement.

#### 141. Exception to Contract Procedure Rules to Provide Holiday Activities and Food Places during the School Summer Holidays 2022.

The Cabinet considered a report of the Director of Children and Family Services seeking approval for an exception to the Council's Contract Procedure Rules for the direct award of contracts to a number of holiday activity providers to supply holiday clubs for the 2022 school summer holiday period, under the Department for Education Holiday Activities and Food (HAF) programme. A copy of the report, marked 'Agenda Item 7', is filed with these minutes.

#### RESOLVED:

That an exception to the Contract Procedure Rules is agreed to enable the Director of Children and Family Services to approve the direct award of contracts to suppliers to supply Holiday Activities and Food holiday club provision for the 2022 summer holiday period, with a maximum, combined potential spend of £800,000.

#### REASONS FOR DECISION:

The County Council's Contract Procedure Rules require that, where the estimated value of a contract exceeds £181,302, formal tenders must be invited.

Where an exception to the Contract Procedure Rules is required for contracts over £177,897, Rule 6 (b)(ii) provides that Cabinet approval be obtained to the exception where this is justified on its merits. The proposed contracts with selected suppliers are expected to have a total value of £800,000.

The circumstances and financial considerations surrounding the proposal, explained in Part B of the report, mean that other procurement processes are not possible in order to ensure delivery of the HAF programme during the 2022 summer holiday period.

There is insufficient time to undertake a full procurement process to put in place contracts for the start of the school summer holidays (12 July 2022).

Work is taking place with the Commissioning Support Unit, Legal Services and the Children and Family Services Department's Commissioning Service to undertake a procurement exercise (compliant with the Council's Contract Procedure Rules and the Public Contract Regulations 2015) to award contracts for the remainder of the HAF programme, from winter 2022 to 2025.

142. Direct Award for the Provision of Hostel Based Services and Outreach Housing Related Support.

The Cabinet considered a report of the Director of Public Health seeking approval to make a direct award of a contract to two existing providers of hostel-based and outreach-based support services for adults at risk of, or experiencing, homelessness. A copy of the report, marked 'Agenda Item 8', is filed with these minutes.

RESOLVED:

That the Cabinet approves the direct award of hostel-based and outreach-based support services to Nottingham Community Housing Association and Falcon Support Services for the period 1 July 2022 to 31 March 2024.

REASONS FOR DECISION:

The direct award will enable continuity of service provision using existing service providers whilst allowing time to review the provision as part of service recommissioning.

The Nottingham Community Housing Association and Falcon Support Services have been delivering elements of the existing provision via subcontract arrangements with the lead provider (who does not wish to extend their contract) and this will give continuity of provision.

143. Items referred from Overview and Scrutiny.

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

144. 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 involves the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Act and that, in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information –

- East Midlands Development Company Limited.

145. East Midlands Development Company Limited.

The Cabinet considered an exempt joint report of the Chief Executive, Director of Corporate Resources and Director of Law and Governance regarding the County Council's membership of the East Midlands Development Company in light of concerns

about the Company's management and governance. A copy of the report, marked 'Agenda Item 12', is filed with these minutes. The report was not for publication by virtue of Paragraphs 3 and 10 of Schedule 12A of the Local Government Act 1972.

The Chief Executive referred to an additional recommendation regarding governance arrangements.

**RESOLVED:**

- (a) That the Cabinet records its concerns about the management and governance of the East Midlands Development Company as set out in this report;
- (b) That those concerns be drawn in the first instance to the attention of the other local authority members of the Company at statutory officer level, the local authorities being the owners of the Company, prior to communication with the Company;
- (c) That the reply from the interim Chair of the Company to the letter from the Director of Law and Governance of 29 April and her subsequent letter be noted;
- (d) That the Director of Law and Governance be requested to write a further letter to the interim Chair of the Company setting out the County Council's view that he has a conflict of interest in respect of any matters relating to the East Midlands Freeport being discussed by the East Midlands Development Company Board given his role as the Chairman of a separate company which owns land in another Freeport;
- (e) That the Company be informed that the County Council is pausing its engagement with the Company pending resolution of its concerns and will not be considering a response to the Company's Funding Notice until written responses to letters from the Director of Law and Governance and any other response from the Company have been considered by the Cabinet;
- (f) That the Company and the other member authorities be informed of the County Council's view that a meeting of the Company Oversight Authority be called to coincide with consideration of the findings of Tranche 1 of the work of the Company's commercial partner so that the political leaderships of the member authorities and their executive bodies can give consideration to what is being recommended in respect of the Company's role and in Tranche 2 of their work; and
- (g) That the County Council does not support at this time a Memorandum of Understanding between the Company and the East Midlands Freeport or any convergence of their governance arrangements.

**REASON FOR DECISION:**

It is necessary to consider the County Council's membership of the Company at the end of the first year of operation in its current form, to seek information and justification for the proposed funding from the County Council of £500,000 per annum and to recognise the engagement by the Company of a commercial partner.

