

**MINUTES OF THE MEETING OF THE LEICESTERSHIRE COUNTY COUNCIL
HELD AT COUNTY HALL, GLENFIELD ON WEDNESDAY, 18 FEBRUARY
2026**

PRESENT

Mr. P. Harrison CC (in the Chair)

Mr. C. Abbott CC, Mr. R. Bailey CC, Dr. J. Bloxham CC, Mr. J. Boam CC, Mr. M. Bools CC, Mrs. N. Bottomley CC, Mr. S. Bradshaw CC, Mr. S. L. Bray CC, Mrs. L. Broadley CC, Miss H. Butler CC, Mr. N. Chapman CC, Mr. M. H. Charlesworth CC, Mr. G. Cooke CC, Mr. K. Crook CC, Mrs. L. Danks CC, Mr. M. Durrani CC, Mr. M. R. England CC, Mr. H. Fowler CC, Mr. S. J. Galton CC, Mr. D. A. Gamble CC, Ms. B. Gray CC, Mr. D. J. Grimley CC, Mr. A. Hamilton-Gray CC, Mr. D. Harrison CC, Dr. S. Hill CC, Mr. N. Holt CC, Mr. A. Innes CC, Mr. P. King CC, Mrs. K. Knight CC, Mr. B. Lovegrove CC, Mr. J. McDonald CC, Mr. J. Melen CC, Mr. J. Miah CC, Mr. P. Morris CC, Mr. M. T. Mullaney CC, Mr. O. O'Shea JP CC, Mr. J. T. Orson CC, Mr. D. Page CC, Mrs. R. Page CC, Ms. A. Pendlebury CC, Mr. B. Piper CC, Mr J. Poland CC, Mr. C. Pugsley CC, Mr. V. Richichi CC, Mr. K. Robinson CC, Mrs B. Seaton CC, Mr. C. A. Smith CC, Mr. M. Squires CC, Mrs D. Taylor CC, Mr. A. Tilbury CC and Mr. C. Whitford CC

49. CHAIRMAN'S ANNOUNCEMENTS.

Covid Day of Reflection

Sunday 8th March would be the Covid Day of Reflection across the UK. This year marked six years since the pandemic began.

The Covid Day of Reflection gave the opportunity to remember those who had lost their lives since the pandemic began and to honour the tireless work and acts of kindness shown during this unprecedented time.

The Chairman thanked all staff across the County Council, the NHS, the emergency services and in communities who supported people during the pandemic. It was a time where many staff and communities worked together in ways never seen before to protect, support and help Leicestershire residents.

Volunteers Award Evening

On Tuesday 17th March the Chairman would be hosting a Volunteer Awards Evening at County Hall. He was looking forward to the event, which would allow him to say thank you and celebrate the work of volunteers in Leicestershire.

50. MINUTES.

It was moved by the Chairman, seconded by Mr Hamilton-Gray and carried:

“That the minutes of the meeting of the Council held on 3rd December 2025, copies of which have been circulated to members, be taken as read,

confirmed and signed.”

51. DECLARATIONS OF INTEREST.

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

All members who were members of district councils declared an other registrable interest in relation to the Medium Term Financial Strategy 2026/27 to 2029/30.

52. BUDGET REPORT OF THE CABINET:

(a) Medium Term Financial Strategy 2026/27 - 2029/30.

It was moved by Mr Fowler and seconded by Mr Harrison:

- “(a) That subject to the items below, and following changes arising from the Local Government Finance Settlement, approval be given to the Medium Term Financial Strategy (MTFS) which incorporates the recommended net revenue budget for 2026/27 totalling £616.1m as set out in the revised Appendices A, B and E of this report and includes the growth and savings for that year as set out in the revised Appendix C;
- (b) That the revised Appendices A, B, C and E be approved to reflect the changes in Revenue Support Grant, which reduces the use of reserves in 2026/27 and reduces the funding gap in 2027/28, and the allocation of £2.5m in the Service Investment Fund, as set out earlier in this supplementary report;
- (c) That approval be given to the projected provisional revenue budgets for 2027/28, 2028/29 and 2029/30, set out in revised Appendix B to the report, including the growth and savings for those years as set out in revised Appendix C, allowing the undertaking of preliminary work, including business case development, engagement and equality and human rights impact assessments, as may be necessary to achieve the savings specified for those years including savings under development, set out in Appendix D;
- (d) That each Chief Officer, in consultation with the Director of Corporate Resources and following consultation with the relevant Cabinet Lead Member(s), undertake preparatory work as considered appropriate to develop proposals and associated investment required to reduce the financial gap in all four years of the MTFS, to enable the Cabinet, subject to scrutiny processes, to consider a new multi-year transformation programme;
- (e) 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;

- (f) That the level of the General Fund and earmarked reserves as set out in the revised Appendix K, to reflect the updates for the High Needs Deficit cover as set out earlier in this report, be noted and the planned use of those earmarked reserves as indicated in that appendix be approved;
- (g) That the risk assessment at paragraph 140 and the Director of Corporate Resources assurance statement at paragraph 155 be noted;
- (h) That the recommended Council Tax increase of 2.99% for 2026/27 and the resulting precept be approved;
- (i) That the Chief Executive be authorised to issue the necessary precepts to billing authorities in accordance with (g) 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;
- (j) That approval be given to the 2026/27 to 2029/30 capital programme, totalling £501m, as set out in Appendix F;
- (k) That the Director of Corporate Resources following consultation with the Cabinet Lead Member for Resources be authorised to approve new capital schemes and revenue spend to save schemes, including revenue costs associated with their delivery, shown as future developments in the capital programme, to be funded from funding available;
- (l) That the financial indicators required under the Prudential Code included in Appendix N, Annex 2 be noted and that the following limits be approved:

	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m
Operational boundary for external debt				
i) Borrowing	194	200	225	255
ii) Other long term liabilities	1	1	1	1
TOTAL	195	201	226	256
Authorised limit for external debt				
i) Borrowing	204	210	235	265
ii) Other long term liabilities	1	1	1	1
TOTAL	205	211	236	266

- (m) 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;
- (n) That the following borrowing limits be approved for the period 2026/27 to 2029/30:
- (i) Maturity of borrowing:

	Upper Limit	Lower Limit

	%	%
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

- (ii) An upper limit for principal sums invested for periods longer than 364 days is 25% of the portfolio.
- (o) That the Director of Corporate Resources be authorised to enter into such loans or undertake such arrangements as necessary to finance the capital programme, subject to the prudential limits in Appendix N;
- (p) That the Treasury Management Strategy Statement and the Annual Investment Strategy for 2026/27, 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;
- (q) That the Capital Strategy (Appendix G), Investing in Leicestershire Programme Strategy (Appendix H), Risk Management Policy and Strategy (Appendix I), Earmarked Reserves Policy (Appendix J) and Insurance Policy (Appendix L) be approved;
- (r) That it be noted that the Leicester and Leicestershire Business Rate Pool has been revoked for 2026/27;
- (s) That the Leicestershire School Funding Formula is subject to capping and scaling and continues to reflect the National Funding Formula for 2026/27;
- (t) That delegated authority be given to the Director of Children and Family Services, following consultation with the Cabinet Lead Member for Children and Family Services, to agree *the funding rates for early years providers for 2026/27.*

An amendment was moved by Mrs Taylor and seconded by Mr King:

- "1. That paragraph (a), (b), (e), (f) and (i) of the motion be amended to read as follows:
- (a) That subject to the items below, approval be given to the Medium Term Financial Strategy (MTFS) which incorporates the recommended net revenue budget for 2026/27 totalling £616.1m as set out in the amended Appendices A, B and E of this report and includes the growth and savings for that year as set out in Appendix C, as amended by paragraph (a) (i) and (ii) below;
 - (b) That approval be given to the projected provisional revenue budgets

for 2027/28, 2028/29 and 2029/30, set out in the amended 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, engagement and equality and human rights impact assessments, as may be necessary to achieve the savings specified for those years including savings under development, set out in Appendix D, as amended by paragraph (a) (i) and (ii) below;

(e) That the level of the General Fund and earmarked reserves as set out in the amended Appendix K be noted and the planned use of those earmarked reserves as indicated in that appendix be approved, as amended by paragraph (a) (i) and (ii) below;

(f) That the risk assessment at paragraph 140 and the Director of Corporate Resources assurance statement at paragraph 155 be noted, as amended by paragraph (a) (iii) below;

(i) That approval be given to the 2026/27 to 2029/30 capital programme, totalling £501m, as set out in Appendix F, as amended by paragraph (a) (i) and (ii) below;

2. That the following be added after paragraph (a) of the motion:-

(a) (i) That the list of growth and savings proposals as set out in Appendix C; the Capital Programme as set out in Appendix F and the Earmarked Reserves as set out in Appendix K of the report be amended as follows:

	2026/27 £000s	2027/28 £000s	2028/29 £000s	2030/31 £000s
TABLE A				
<u>Additional Service Growth</u>				
NEW Parking Enforcement – Feasibility and Model Development	20	0	0	0
Full investigation into establishing a centralised Parking Enforcement Model coordinated by Leicestershire County Council. This funding will support: <ul style="list-style-type: none"> • A feasibility study assessing operational, financial, and legal implications of moving to a centralised enforcement model. • An options appraisal comparing the current approach to an alternative centrally led approach • Engagement with districts and key partners on governance, accountability, and implementation requirements. • Identification of potential efficiencies, income generation, and improvements in consistency and compliance. A centralised enforcement approach may provide improved consistency, more effective use of technology, streamlined administration, more coverage, extended operation, and potential cost efficiencies. This initial investment enables the Council to fully assess the model before making				

any long-term budgetary commitments.

TABLE B

NEW Development of a Residents' App for Highways Reporting	10	0	0	0
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Investigation into a Residents' Mobile App that enables the public to easily report potholes and other highway issues whilst on the go.

This funding will support investigation of:

- Scoping and estimated uptake of a user-friendly mobile App (iOS and Android).
- Integration with existing highways reporting systems to streamline workflows and reduce duplication.
- Improved GPS-based reporting to enhance accuracy and speed of defect identification.
- Accessibility and compliance requirements.

A dedicated App will improve public reporting, enhance real-time visibility of highways defects, and reduce delays in identifying and triaging potholes and other issues. The investment will support digital transformation and improve customer experience.

TABLE C

NEW Investment in Innovative Technology for Road Maintenance (Automated Road Inspection)	50	0	0	0
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Explore and pilot innovative automated highway technology to drive efficiencies across highway services such as improving the accuracy, efficiency, and speed of identifying defects on the highway and the wider network.

This funding will support:

- A feasibility study into a wide range of potential new technology that could improve efficiency such as automated road-inspection tools (e.g., AI-enabled cameras, sensor-based systems, dashboard-mounted scanning equipment).
- Trials of suitable technologies to assess accuracy in detecting potholes, cracking, surface wear, and other defects on the wider network.
- Evaluation of integration with existing asset-management systems.
- Cost-benefit analysis comparing automated inspection with current manual survey methods.
- Engagement with technology providers and neighbouring authorities to identify best practice.

Automated road-inspection technology offers the potential to:

- Improve the consistency and reliability of condition assessments;
- Identify defects earlier, preventing deterioration;
- Reduce manual workload;
- Provide real-time data to support proactive maintenance planning.

This investment will allow the Council to explore innovative, data-driven

approaches to maintaining the highway network and ensure the most efficient use of future maintenance budgets
 Potential long-term savings include more efficient highway services such as reduced manual inspection costs and earlier identification of defects, preventing more expensive repairs.

TABLE D

NEW Councillor Grit Bin Funding Pot	30	0	0	0
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Each County Councillor may apply for funding from this pot to install grit bins within their division, subject to meeting the Council’s existing location and eligibility criteria for grit bin placement.

This fund will support:

- The purchase and installation of new grit bins.
- Initial stocking of new grit bins
- Improved winter resilience at local, community-identified priority locations.

Providing a dedicated funding pot gives councillors flexibility to address local winter safety needs, supports community resilience, and ensures that grit bins are installed only where they meet the Council’s established criteria, ensuring fairness and consistency across the county.

Currently Parish/town or district councils can apply for a grit bin and pay for the installation

TABLE E

NEW Additional Resources for Gulley Cleaning to Prevent Flooding	400	0	0	0
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To strengthen the Highways Gulley Cleaning Programme and drainage works, in order to reduce surface-water flooding, improve drainage performance, and enhance winter and storm resilience.

This additional funding will support:

- Targeted interventions in areas with repeated resident reports or known historic flooding issues.
- Improved mapping and data capture to support proactive drainage maintenance.
- Repairing culverts
- Addressing other defects arising from surveys

Flooding is one of the most frequent causes of highway disruption and resident complaints. Increasing investment in proactive gulley maintenance and drainage repairs reduces emergency callouts, protects road surfaces, improves road safety, and provides visible, community-focused benefits.

This funding will allow the Council to act ahead of severe weather events and manage drainage assets more effectively.

Additional Capital Expenditure

TABLE F

Increased Funding for Footpath Maintenance to Prevent Trips and Falls	3,000	0	0	0
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To significantly enhance the Footpath Maintenance Programme, with a focus on preventing trips, falls, injuries, and mobility barriers for residents.

This investment will support:

- Accelerated repairs to damaged, uneven, or deteriorating footways

across the county.

- Targeted upgrades in areas with high pedestrian use, including routes near schools, care homes, community centres, and health facilities.
- Reduced backlog of reported defects, improving safety and accessibility for all users, including older residents and those with mobility impairments.
- Proactive maintenance to prevent more costly structural failures caused by weathering, tree-root intrusion, and drainage issues.

Improved monitoring and prioritisation processes to ensure timely intervention in high-risk locations.

Whilst this is a capital enhancement, it is expected to reduce future revenue pressures by lowering reactive maintenance costs and claims relating to slips, trips, and falls.

Footpath condition is one of the most frequent and visible concerns raised by residents. Poorly maintained footways present a direct safety risk, particularly for older people, wheelchair users, visually impaired residents, and families with pushchairs.

Strengthening footpath maintenance:

- Reduces avoidable injuries;
- Improves community confidence;
- Supports active travel ambitions;
- Enhances the overall appearance and usability of local streets.

A £3 million investment provides a substantial uplift that will deliver noticeable improvements countywide.

Other Changes

Bank & Other interest				
TABLE A	0.4	0.7	1.2	1.2
TABLE B	0.2	0.4	0.6	0.6
TABLE C	0.9	1.8	3.0	3.0
TABLE D	0.5	1.1	1.8	1.8
TABLE E	7.0	14.0	24.0	24.0
TABLE F	52.5	105.0	180.0	180.0

liLP reduction below removes the requirement to repay borrowing through MRP, but the interest implications from a reduction in cash balances needs to be reflected, as the balances would only be spent if the expected return justified it.

Assumes mid-year expenditure for 2026/27, reduction in cash balances for first 2-years (3.5%) and borrowing for years 3&4 (6%).

Total Cost Increase	3,571.5	123.0	210.6	210.6
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(a) (ii) that the Total Cost Increase above be met from

	2026/27 £000s	2027/28 £000s	2028/29 £000s	2030/31 £000s
<u>Reduced Capital Expenditure</u>				
Investing in Leicestershire Programme	(3,510)	0	0	0
TABLE A	(20)	0	0	0
TABLE B	(10)	0	0	0
TABLE C	(50)	0	0	0
TABLE D	(30)	0	0	0
TABLE E	(400)	0	0	0

TABLE F	(3,000)	0	0	0
A one-off allocation to be drawn from the unallocated reserves in the 'Investing in Leicestershire Programme' (IILP) fund for invest to save projects.				
Increased Savings/Income				
TABLE E				
NEW Removal of Chairman's Council Lunch Allowance	(1.5)	(1.5)	(1.5)	(1.5)
The removal of this allowance provides a modest but appropriate saving, reflecting a commitment to directing funds towards frontline priorities and ensuring public money is spent where it delivers the greatest value for residents				
NEW Removal of Printed Copies of Leicestershire Matters and Transition to Digital-Only Publication	(60.0)	(120.0)	(120.0)	(120.0)
TABLE A	(0.4)	0	0	0
TABLE B	(0.2)	0	0	0
TABLE C	(0.9)	(1.4)	0	0
TABLE D	(0.5)	(1.1)	0	0
TABLE E	(5.5)	(12.5)	(12.5)	(12.5)
TABLE F	(52.5)	(105.0)	(107.5)	(107.5)
This change reflects: <ul style="list-style-type: none"> the increasing shift towards digital communication across the sector, the need to prioritise essential services during a period of severe financial pressure, and the Council's environmental and carbon reduction commitments. A digital-only model will allow continued communication with residents at significantly lower cost, using the Council's website, email bulletins, and social media channels.				
Total Cost Reduction	(3,571.5)	(121.5)	(121.5)	(121.5)

Summary

	2026/27 £000s	2027/28 £000s	2028/29 £000s	2030/31 £000s
Total Cost Increase	3,571.5	123.0	210.6	210.6
Total Cost Reduction	(3,571.5)	(121.5)	(121.5)	(121.5)
Net Change Total	0.0	1.5	89.1	89.1
TABLE A	0.0	0.7	1.2	1.2
TABLE B	0.0	0.4	0.6	0.6
TABLE C	0.0	0.4	3.0	3.0
TABLE D	0.0	0.0	1.8	1.8
TABLE E	0.0	0.0	10.0	10.0
TABLE F	0.0	0.0	72.5	72.5
Revised Budget Gap	15,372	34,152	57,243	84,628

- (a) (iii) that the following changes are made to the "Robustness of Estimates and Adequacy of Reserves" section of the budget report

Robustness of Estimates and Adequacy of Reserves

The proposed expenditure increases are small investigations or “cash-capped” investments, so do not alter my view of the robustness of estimates contained in the Council report.

However, with significant activity already being planned for next year it will be important to prioritise to ensure value for money. The service would benefit from flexibility in the timing of spending the £3million for footpaths maintenance, for example to ensure that it can be co-ordinated with other jobs and accommodate weather conditions.

The shortfall in funding of the proposals has a small detrimental impact on the long-term financial position of the County Council, increasing the savings requirement. My recommendation will always be that whilst a financial gap is present discretionary expenditure should be minimised. However, the position is still better than before the settlement, so my view on the robustness of estimates is unchanged.

- (a) (iv) that the Revenue Budget Summaries in Appendix A, B and E also be amended to reflect the above changes.”

The Chairman indicated that a named vote would be recorded, as required by Government Regulations. At the request of Mrs Taylor, there would be a named vote recorded for each of the six proposals being put forward in the amendment.

The vote was recorded as follows:

Table A – Parking Enforcement – Feasibility and Model Development

For the amendment

Mr Bailey, Mrs Bottomley, Mr Bradshaw, Mr Chapman, Ms Gray, Mr Grimley, Mr King, Mr Lovegrove, Mr Melen, Mr Miah, Mr. O’Shea, Mr Orson, Mr Page, Mrs Page, Mr Poland, Mrs Seaton, Mr Smith, Mrs Taylor.

Against the amendment

Mr Abbott, Dr Bloxham, Mr Boam, Miss Butler, Mr Charlesworth, Mr Cooke, Mr Crook, Mrs Danks, Mr England, Mr Fowler, Mr Hamilton-Gray, Mr D Harrison, Mr P Harrison, Mr Innes, Mrs Knight, Mr McDonald, Mr Morris, Mr Piper, Mr Pugsley, Mr Richichi, Mr Robinson, Mr Squires, Mr Tilbury, Mr Whitford.

Abstentions

Mr Bools, Mr Bray, Mrs Broadley, Mr Durrani, Mr Galton, Mr Gamble, Dr Hill, Mr Holt, Mr Mullaney, Mrs Pendlebury.

The proposal set out in Table A was not carried, with 18 members voting for the amendment and 24 voting against. 10 members abstained.

Table B – Development of a Residents’ App for Highways Reporting

For the amendment

Mr Bailey, Mrs Bottomley, Mr Bradshaw, Mr Chapman, Ms Gray, Mr Grimley, Mr King, Mr Lovegrove, Mr Melen, Mr Miah, Mr. O'Shea, Mr Orson, Mr Page, Mrs Page, Mr Poland, Mrs Seaton, Mr Smith, Mrs Taylor.

Against the amendment

Mr Abbott, Dr Bloxham, Mr Boam, Miss Butler, Mr Charlesworth, Mr Cooke, Mr Crook, Mrs Danks, Mr Durrani, Mr England, Mr Fowler, Mr Hamilton-Gray, Mr D Harrison, Mr P Harrison, Mr Innes, Mrs Knight, Mr McDonald, Mr Morris, Mr Piper, Mr Pugsley, Mr Richichi, Mr Robinson, Mr Squires, Mr Tilbury, Mr Whitford.

Abstentions

Mr Bools, Mr Bray, Mrs Broadley, Mr Galton, Mr Gamble, Dr Hill, Mr Holt, Mr Mullaney, Mrs Pendlebury.

The proposal set out in Table B was not carried, with 18 members voting for the amendment and 25 voting against. 9 members abstained.

Table C – Investment in Innovative Technology for Road Maintenance
(Automated Road Inspection)

For the amendment

Mr Bailey, Mrs Bottomley, Mr Bradshaw, Mr Chapman, Ms Gray, Mr Grimley, Mr King, Mr Lovegrove, Mr Melen, Mr Miah, Mr. O'Shea, Mr Orson, Mr Page, Mrs Page, Mr Poland, Mrs Seaton, Mr Smith, Mrs Taylor.

Against the amendment

Mr Abbott, Dr Bloxham, Mr Boam, Miss Butler, Mr Charlesworth, Mr Cooke, Mr Crook, Mrs Danks, Mr England, Mr Fowler, Mr Hamilton-Gray, Mr D Harrison, Mr P Harrison, Mr Innes, Mrs Knight, Mr McDonald, Mr Morris, Mr Piper, Mr Pugsley, Mr Richichi, Mr Robinson, Mr Squires, Mr Tilbury, Mr Whitford.

Abstentions

Mr Bools, Mr Bray, Mrs Broadley, Mr Durrani, Mr Galton, Mr Gamble, Dr Hill, Mr Holt, Mr Mullaney, Mrs Pendlebury.

The proposal set out in Table C was not carried, with 18 members voting for the amendment and 24 voting against. 10 members abstained.

Table D – Councillor Grit Bin Funding Put

For the amendment

Mr Bailey, Mrs Bottomley, Mr Bradshaw, Mr Chapman, Mr Charlesworth, Ms Gray, Mr Grimley, Mr King, Mr Lovegrove, Mr Melen, Mr Miah, Mr. O'Shea, Mr Orson, Mr Page, Mrs Page, Mr Poland, Mrs Seaton, Mr Smith, Mrs Taylor.

Against the amendment

Mr Abbott, Dr Bloxham, Mr Boam, Miss Butler, Mr Cooke, Mr Crook, Mrs Danks, Mr England, Mr Fowler, Mr Hamilton-Gray, Mr D Harrison, Mr P Harrison, Mr Innes, Mrs Knight, Mr McDonald, Mr Morris, Mr Piper, Mr Pugsley, Mr Richichi, Mr Robinson, Mr Squires, Mr Tilbury, Mr Whitford.

Abstentions

Mr Bools, Mr Bray, Mrs Broadley, Mr Durrani, Mr Galton, Mr Gamble, Dr Hill, Mr Holt, Mr Mullaney, Mrs Pendlebury.

The proposal set out in Table D was not carried, with 19 members voting for the amendment and 23 voting against. 10 members abstained.

Table E – Additional Resources for Gulley Cleaning to Prevent Flooding

For the amendment

Mr Bailey, Mrs Bottomley, Mr Bradshaw, Mr Chapman, Mr Charlesworth, Ms Gray, Mr Grimley, Mr King, Mr Lovegrove, Mr Melen, Mr Miah, Mr. O'Shea, Mr Orson, Mr Page, Mrs Page, Mr Poland, Mrs Seaton, Mr Smith, Mrs Taylor.

Against the amendment

Mr Abbott, Dr Bloxham, Mr Boam, Miss Butler, Mr Cooke, Mr Crook, Mrs Danks, Mr England, Mr Fowler, Mr Hamilton-Gray, Mr D Harrison, Mr P Harrison, Mr Innes, Mrs Knight, Mr McDonald, Mr Morris, Mr Piper, Mr Pugsley, Mr Richichi, Mr Robinson, Mr Squires, Mr Tilbury, Mr Whitford.

Abstentions

Mr Bools, Mr Bray, Mrs Broadley, Mr Durrani, Mr Galton, Mr Gamble, Dr Hill, Mr Holt, Mr Mullaney, Mrs Pendlebury.

The proposal set out in Table E was not carried, with 19 members voting for the amendment and 23 voting against. 10 members abstained.

Table F – Increased Funding for Footpath Maintenance to Prevent Trips and Falls

For the amendment

Mr Bailey, Mrs Bottomley, Mr Bradshaw, Mr Chapman, Mr Charlesworth, Ms Gray, Mr Grimley, Mr King, Mr Lovegrove, Mr Melen, Mr Miah, Mr. O'Shea, Mr Orson, Mr Page, Mrs Page, Mr Poland, Mrs Seaton, Mr Smith, Mrs Taylor.

Against the amendment

Mr Abbott, Dr Bloxham, Mr Boam, Miss Butler, Mr Cooke, Mr Crook, Mrs Danks, Mr England, Mr Fowler, Mr Hamilton-Gray, Mr D Harrison, Mr P Harrison, Mr Innes, Mrs Knight, Mr McDonald, Mr Morris, Mr Piper, Mr Pugsley, Mr Richichi, Mr Robinson, Mr Squires, Mr Tilbury, Mr Whitford.

Abstentions

Mr Bools, Mr Bray, Mrs Broadley, Mr Durrani, Mr Galton, Mr Gamble, Dr Hill, Mr Holt, Mr Mullaney, Mrs Pendlebury.

The proposal set out in Table F was not carried, with 19 members voting for the amendment and 23 voting against. 10 members abstained.

It was moved by the Chairman, seconded by Mr Hamilton-Gray and carried:

“That the meeting be adjourned for 30 minutes.”

[The meeting adjourned at 3.10pm. The adjournment was subsequently extended by the Chairman with the consent of the Council and the meeting reconvened at 4.10pm]

Mr Mullaney then sought and obtained the consent of the Council to move an altered amendment.

It was moved by Mr Mullaney and seconded by Mr Galton:

- “1. That paragraphs (a), (b), (e), (f) and (i) of the motion be amended to read as follows:
 - “(a) That subject to the items below, approval be given to the Medium Term Financial Strategy (MTFS) which incorporates the recommended net revenue budget for 2026/27 totalling £616.1m as set out in the amended Appendices A, B and E of this report and includes the growth and savings for that year as set out in Appendix C, as amended by paragraph (a) (i) and (ii) below;”
 - “(b) That approval be given to the projected provisional revenue budgets for 2027/28, 2028/29 and 2029/30, set out in the amended 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, engagement and equality and human rights impact assessments, as may be necessary to achieve the savings specified for those years including savings under development, set out in Appendix D, as amended by paragraph (a) (i) and (ii) below;
 - “(e) That the level of the General Fund and earmarked reserves as set out in the amended Appendix K be noted and the planned use of those earmarked reserves as indicated in that appendix be approved;
 - “(f) That the risk assessment at paragraph 140 and the Director of Corporate Resources assurance statement at paragraph 155 be noted, as amended by paragraph (a) (iii) below;”
 - (i) That approval be given to the 2026/27 to 2029/30 capital programme, totalling £501m, as set out in Appendix F;

2. That the following be added after paragraph (a) of the motion:-

“(a) (i) That the list of growth and savings proposals as set out in Appendix C be amended as follows:

	2026/27 £000s	2027/28 £000s	2028/29 £000s	2030/31 £000s
Additional Service Growth				
NEW Additional investment in public bus subsidies	120	120	0	0
NEW Additional environmental maintenance	300	300	0	0
1 x Weed spraying county wide - £60,000 for 2-years 1 x Visibility grass cut (urban and rural) - £80,000 for 2-years £160,000 additional footpath maintenance for 2-years				
NEW Grit Bin 50% discount	5	5		
Discount applies to the purchase, installation and initial provision of grit. For parish and district councils. Applications open from county councillors. For requests to be eligible they would need to meet the Council’s established criteria and be made by parish/town or district councils. A partial discount ensures that bin requests are focused on the locations most in need.				
Total Cost Increase	425	425	0	0

“(a) (ii) that the Total Cost Increase above be met from

	2026/27 £000s	2027/28 £000s	2028/29 £000s	2030/31 £000s
Increased Savings/Income				
Other Changes (Finance to Complete)				
Budget – Service Investment Fund	(425)	(425)		
Total Cost Reduction	(425)	(425)		

Summary

	2026/27 £000s	2027/28 £000s	2028/29 £000s	2030/31 £000s
Total Cost Increase	425	425		
Total Cost Reduction	(425)	(425)		
Net Change	0	0	0	0
Revised Budget Gap	No Change	No Change	No Change	No Change

“(a) (iii) that the following changes are made to the “Robustness of Estimates and Adequacy of Reserves” section of the budget report

<u>Robustness of Estimates and Adequacy of Reserves</u>
The proposed expenditure increases are funded by redirection of existing budgets and there is no change to the budget gap or reserve balances over the 4-year period. On this basis the amendments do not alter my view of the robustness of estimates contained in the Council report. My recommendation will always be that whilst a financial gap is present discretionary expenditure should be minimised, and any savings should be directed to reduce the use of reserves needed to balance the budget. However, the position is still better than before the settlement, so my view on the robustness of estimates and level of reserves is unchanged.

“(a) (iv) that the Revenue Budget Summaries in Appendix A, B and E also be amended to reflect the above changes.”

The Chairman indicated that a named vote would be recorded, as required by Government Regulations.

The vote was recorded as follows:

For the amendment

Mr Abbott, Mr Bailey, Dr Bloxham, Mr Boam, Mr Bools, Mrs Bottomley, Mr Bradshaw, Mr Bray, Mrs Broadley, Miss Butler, Mr Chapman, Mr Charlesworth, Mr Cooke, Mr Crook, Mrs Danks, Mr Durrani, Mr England, Mr Fowler, Mr Galton, Mr Gamble, Ms Gray, Mr Grimley, Mr Hamilton-Gray, Mr D Harrison, Mr P Harrison, Dr Hill, Mr Holt, Mr Innes, Mr King, Mrs Knight, Mr Lovegrove, Mr McDonald, Mr Melen, Mr Miah, Mr Morris, Mr Mullaney, Mr O’Shea, Mr Orson, Mr Page, Mrs Page, Mrs Pendlebury, Mr Piper, Mr Poland, Mr Pugsley, Mr Richichi, Mr Robinson, Mrs Seaton, Mr Smith, Mr Squires, Mrs Taylor, Mr Tilbury, Mr Whitford.

The amendment was carried, with 52 members voting for the amendment and no members voting against.

The substantive motion, as set out below, was then put to the vote.

“(a) That subject to the items below, and following changes arising from the Local Government Finance Settlement, approval be given to the Medium Term Financial Strategy (MTFS) which incorporates the recommended net revenue budget for 2026/27 totalling £616.1m as set out in the revised Appendices A, B and E of this report and includes the growth and savings for that year as set out in the revised Appendix C, as amended by paragraph (a) (i) and (ii) below;

(i) That the list of growth and savings proposals as set out in Appendix C be amended as follows:

	2026/27	2027/28	2028/29	2029/30
	£000s	£000s	£000s	£000s
<u>Additional Service Growth</u>				

NEW Additional investment in public bus subsidies	120	120	0	0
NEW Additional environmental maintenance	300	300	0	0
1 x Weed spraying county wide - £60,000 for 2-years 1 x Visibility grass cut (urban and rural) - £80,000 for 2-years £160,000 additional footpath maintenance for 2-years				
NEW Grit Bin 50% discount	5	5		
Discount applies to the purchase, installation and initial provision of grit. For parish and district councils. Applications open from county councillors. For requests to be eligible they would need to meet the Council's established criteria and be made by parish/town or district councils. A partial discount ensures that bin requests are focused on the locations most in need.				
Total Cost Increase	425	425	0	0

(ii) that the Total Cost Increase above be met from the Service Investment Fund;

(iii) that the following addition is made to the "Robustness of Estimates and Adequacy of Reserves" section of the budget report:

<u>Robustness of Estimates and Adequacy of Reserves</u>
The expenditure increases are funded by redirection of existing budgets and there is no change to the budget gap or reserve balances over the 4-year period. On this basis the amendments do not alter my view of the robustness of estimates contained in the Council report. My recommendation will always be that whilst a financial gap is present discretionary expenditure should be minimised, and any savings should be directed to reduce the use of reserves needed to balance the budget. However, the position is still better than before the settlement, so my view on the robustness of estimates and level of reserves is unchanged.

(b) That it be noted that the revised Appendices A, B, C and E reflect the changes in Revenue Support Grant, which reduces the use of reserves in 2026/27 and reduces the funding gap in 2027/28, and the allocation of £2.5m in the Service Investment Fund, as set out earlier in this supplementary report and as amended by paragraphs (a) (i) and (ii) above;

(c) That approval be given to the projected provisional revenue budgets for 2027/28, 2028/29 and 2029/30, set out in revised Appendix B to the report, including the growth and savings for those years as set out in revised Appendix C, allowing the undertaking of preliminary work,

including business case development, engagement and equality and human rights impact assessments, as may be necessary to achieve the savings specified for those years including savings under development, set out in Appendix D, as amended by paragraph (a) (i) and (ii) above;

- (d) That each Chief Officer, in consultation with the Director of Corporate Resources and following consultation with the relevant Cabinet Lead Member(s), undertake preparatory work as considered appropriate to develop proposals and associated investment required to reduce the financial gap in all four years of the MTFs, to enable the Cabinet, subject to scrutiny processes, to consider a new multi-year transformation programme;
- (e) 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;
- (f) That the level of the General Fund and earmarked reserves as set out in the revised Appendix K, to reflect the updates for the High Needs Deficit cover as set out earlier in this report, be noted and the planned use of those earmarked reserves as indicated in that appendix be approved;
- (g) That the risk assessment at paragraph 140 and the Director of Corporate Resources assurance statement at paragraph 155 be noted, as amended by paragraph (a) (iii) above;
- (h) That the recommended Council Tax increase of 2.99% for 2026/27 and the resulting precept be approved;
- (i) That the Chief Executive be authorised to issue the necessary precepts to billing authorities in accordance with (g) 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;
- (j) That approval be given to the 2026/27 to 2029/30 capital programme, totalling £501m, as set out in Appendix F;
- (k) That the Director of Corporate Resources following consultation with the Cabinet Lead Member for Resources be authorised to approve new capital schemes and revenue spend to save schemes, including revenue costs associated with their delivery, shown as future developments in the capital programme, to be funded from funding available;
- (l) That the financial indicators required under the Prudential Code included in Appendix N, Annex 2 be noted and that the following limits be approved:

	2026/27	2027/28	2028/29	2029/30
	£m	£m	£m	£m
Operational boundary for external debt				

i) Borrowing	194	200	225	255
ii) Other long term liabilities	1	1	1	1
TOTAL	195	201	226	256
Authorised limit for external debt				
i) Borrowing	204	210	235	265
ii) Other long term liabilities	1	1	1	1
TOTAL	205	211	236	266

(m) 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;

(n) That the following borrowing limits be approved for the period 2026/27 to 2029/30:

(i) 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

(ii) An upper limit for principal sums invested for periods longer than 364 days is 25% of the portfolio.

(o) That the Director of Corporate Resources be authorised to enter into such loans or undertake such arrangements as necessary to finance the capital programme, subject to the prudential limits in Appendix N;

(p) That the Treasury Management Strategy Statement and the Annual Investment Strategy for 2026/27, as set out in Appendix N, be approved including:

(iii) The Treasury Management Policy Statement, Appendix N; Annex 4;

(iv) The Annual Statement of the Annual Minimum Revenue Provision as set out in Appendix N, Annex 1;

(q) That the Capital Strategy (Appendix G), Investing in Leicestershire Programme Strategy (Appendix H), Risk Management Policy and Strategy (Appendix I), Earmarked Reserves Policy (Appendix J) and Insurance Policy (Appendix L) be approved;

(r) That it be noted that the Leicester and Leicestershire Business Rate Pool has been revoked for 2026/27;

(s) That the Leicestershire School Funding Formula is subject to capping and scaling and continues to reflect the National Funding Formula for 2026/27;

- (t) That delegated authority be given to the Director of Children and Family Services, following consultation with the Cabinet Lead Member for Children and Family Services, to agree the funding rates for early years providers for 2026/27.”

The Chairman indicated that a named vote would be recorded, as required by Government Regulations.

The vote was recorded as follows:

For the substantive motion

Mr Abbott, Mr Bailey, Dr Bloxham, Mr Boam, Mr Bradshaw, Miss Butler, Mr Chapman, Mr Charlesworth, Mr Cooke, Mr Crook, Mrs Danks, Mr England, Mr Fowler, Mr Gimpley, Mr Hamilton-Gray, Mr D Harrison, Mr P Harrison, Mr Innes, Mr King, Mrs Knight, Mr Lovegrove, Mr McDonald, Mr Melen, Mr Morris, Mr O’Shea, Mr Orson, Mr Page, Mrs Page, Mr Piper, Mr Poland, Mr Pugsley, Mr Richichi, Mr Robinson, Mrs Seaton, Mr Smith, Mr Squires, Mrs Taylor, Mr Tilbury, Mr Whitford

Abstentions

Mr Bools, Mrs Bottomley, Mr Bray, Mrs Broadley, Mr Durrani, Mr Galton, Mr Gamble, Ms Gray, Dr Hill, Mr Holt, Mr Miah, Mr Mullaney, Mrs Pendlebury.

The substantive motion was carried, with 39 members voting for the motion and 13 members abstaining.

53. CHANGE TO THE ORDER OF BUSINESS.

The Chairman sought and obtained the consent of the Council to vary the order of business from that set out on the agenda.

54. TO CONSIDER THE FOLLOWING NOTICE OF MOTION:

(a) SEND Nurseries.

It was moved by Mr Bools and seconded by Mrs Taylor:

- (a) That this County Council believes that the four pre-school nurseries currently supported by this County Council that serve children with Special Educational Needs in the County should continue to be supported;
- (b) That the Menphys Nurseries in Wigston and Sketchley Hill in Burbage and the Oasis nursery in Melton Mowbray and the Lift Beacon in Loughborough provide essential educational support to some of the most vulnerable young children in Leicestershire;
- (c) That many parents have expressed their anguish at the news that the nurseries could close. They offer specialist focused teaching and

expert care. To close them would mean the loss of an essential service in the County;

- (d) That this County Council believes that the four nurseries should continue to remain open and urges the County Council Cabinet to listen to the residents of Leicestershire and this Council and keep the nurseries open.”

On the motion being put and before the vote was taken, five members rose asking that a named vote be recorded.

The vote was recorded as follows:

For the motion

Mr Bailey, Mr Bools, Mrs Bottomley, Mr Bradshaw, Mr Bray, Mrs Broadley, Mr Chapman, Mr Charlesworth, Mr Durrani, Mr Galton, Mr Gamble, Ms Gray, Mr Grimley, Dr Hill, Mr Holt, Mr King, Mr Lovegrove, Mr Melen, Mr Miah, Mr Mullaney, Mr O’Shea, Mr Orson, Mr Page, Mrs Page, Mrs Pendlebury, Mr Poland, Mrs Seaton, Mr Smith, Mrs Taylor

Abstentions

Mr Abbott, Dr Bloxham, Mr Boam, Mr Cooke, Mr Crook, Mrs Danks, Mr England, Mr Fowler, Mr Hamilton-Gray, Mr D Harrison, Mr P Harrison, Mr Innes, Mrs Knight, Mr Morris, Mr Piper, Mr Pugsley, Mr Richichi, Mr Robinson, Mr Squires, Mr Tilbury.

The motion was carried, with 29 voting in favour and 20 abstentions.

55. QUESTIONS ASKED UNDER STANDING ORDER 7(1)(2) AND (5).

There were no questions asked under Standing Order 7(1) (2) and (5).

56. REPORT OF THE CONSTITUTION COMMITTEE.

(a) Review of Standing Orders (Meeting Procedure Rules).

It was moved by Mr D Harrison, seconded by Mrs Taylor and carried unanimously:

“That the changes to Standing Orders (The Meeting Procedure Rules), as set out in the Appendix to the report, be approved.”

57. POSITION STATEMENTS UNDER STANDING ORDER 8.

The Leader gave a position statement on the following matters:

- One million trees;
- Flooding prevention initiatives;
- Melton Mowbray Distributor Road;

- Rural Strategy;
- Local Government Reorganisation;
- Rejoining the LGA and CCN;
- Partnership working;
- Efficiency review.

A copy of the position statement is filed with these minutes.

58. REPORT OF THE EMPLOYMENT COMMITTEE.

(a) Pay Policy Statement.

It was moved by Mr Fowler, seconded by Mr Innes and carried unanimously:

“That the County Council’s Pay Policy Statement 2026/27, as set out in the Appendix to the report of the Employment Committee, be approved.”

59. REPORT OF THE CORPORATE GOVERNANCE COMMITTEE.

(a) Changes to the Contract Procedure Rules.

It was moved by Mr Bray, seconded by Mr Miah, and carried unanimously:

“That the revised Contract Procedure Rules, as set out in the Appendix to the report, be approved.”

2.00 pm – 7.00 pm
18 February 2026

CHAIRMAN