



Minutes of a meeting of the Cabinet held at County Hall, Glenfield on Friday, 10 February 2017.

PRESENT

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

Mr. R. Blunt CC	Mr. I. D. Ould CC
Mr. Dave Houseman MBE, CC	Mrs. P. Posnett CC
Mr. J. T. Orson JP CC	Mr. J. B. Rhodes CC
Mr. P. C. Osborne CC	Mr. E. F. White CC

Apologies

Mr. B. L. Pain CC

In attendance

Mr. G. A. Hart CC, Mr. P. G. Lewis CC, Mr. R. J. Shepherd CC, Mr. R. Sharp CC, Mr. S. J. Galton CC and Mr. S. Sheahan CC.

520. Minutes of the previous meeting.

The minutes of the meeting held on 13 December 2016 were taken as read, confirmed and signed.

521. Urgent items.

There were no urgent items for consideration.

522. 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.

The following declarations were made with regard to item 9 on the agenda, 'Planning Applications in Melton Borough Villages':-

Mr. Rhodes CC - a Personal Interest which might lead to bias as a member and previous leader of Melton Borough Council. He undertook to leave the meeting during consideration of this item.

Mrs. Posnett CC - a Personal Interest which might lead to bias as the Leader of Melton Borough Council. She undertook to leave the meeting during consideration of this item.

Mr Orson CC – A Disclosable Pecuniary Interest as a local land owner. He undertook to leave the meeting during consideration of the item.

523. Medium Term Financial Strategy 2017/18 - 2020/21.

The Cabinet considered a report of the Director of Corporate Resources regarding the proposed Medium Term Financial Strategy for 2017/18 to 2020/21 (MTFS). A copy of the report, marked '4', is filed with these minutes.

Members noted the comments received from Mr S. J. Galton CC, a copy of which is filed with these minutes.

The Director reported that the final Local Government Finance Settlement had not yet been received. If announced in time, any changes arising from this would be reported to the Council at its meeting on 22 February.

Mr. Rhodes CC thanked officers for responding to the financial challenges faced by the County Council which had achieved a balanced budget for 2017/18 despite being the lowest funded County Council in the country. Other authorities that received more funding had not performed as well and were struggling to meet their statutory obligations.

Mr. Rhodes confirmed that the Council was continuing to pursue its Fair Funding campaign which had achieved growing support from other low funded authorities. He also said that the Council would look at the possibility of it becoming a pilot for the full retention of business rates.

Mr. Rhodes said it was appropriate for the Council to review its policy on subsidised transport to ensure the policy remained fit for purpose and continued to support the best use of resources.

Mr. Houseman CC, Mr. White CC and Mr. Ould CC agreed that the Council had managed to modify its services and reduce costs whilst protecting them as far as possible, continuing to support those most vulnerable. This was as a result of good medium term financial planning and the hard work of officers to transform services and reduce costs over a number of years.

RESOLVED:

That the following be recommended to the County Council:-

- (a) That, subject to the items below, the MTFS which incorporates the recommended revenue budget for 2017/18 totalling £348m as set out in Appendices A, B and E of this report and including the growth and savings for that year as set out in Appendix C, be approved;
- (b) That the projected provisional revenue budgets for 2018/19, 2019/20 and 2020/21, set out in Appendix B to the report, be approved 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 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 the early achievement of savings that are included in the MTFS, as may be necessary, along with associated investment costs, be approved subject to the Director of Finance agreeing to funding being available;

- (d) That the level of earmarked funds as set out in Appendix J be noted and the use of earmarked funds 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 2017/18 be as set out in Appendix K (including the adult social care precept of 2%);
- (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 the Director of Finance be authorised to approve changes to the Business Rates Pooling agreement, which might occur as a result of the creation of a Leicester and Leicestershire Combined Authority;
- (h) That the transfer of £2.85m from the Schools Block to the High Needs Block of Dedicated Schools Grant be approved;
- (i) That the 2017/18 to 2020/21 capital programme as set out in Appendix F be approved;
- (j) That the Director of Finance following consultation with the Lead Member for Corporate Resources be authorised to approve new capital schemes including revenue costs associated with their delivery;
- (k) That it be noted that new capital schemes, referred to in (j), are shown as future developments in the capital programme, to be funded from capital funding available;
- (l) That the financial indicators required under the Prudential Code included in Appendix L, Annex 2 be noted and that the following limits be approved:

	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m
Operational boundary for external debt				
i) Borrowing	274.6	264.6	264.1	263.6
ii) Other long term liabilities	1.3	1.3	1.2	1.2
TOTAL	275.9	265.9	265.3	264.8
Authorised limit for external debt				
i) Borrowing	284.6	274.6	274.1	273.6
ii) Other long term liabilities	1.3	1.3	1.2	1.2
TOTAL	285.9	275.9	275.3	274.8

- (m) That the Director of Finance 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 2017/18 to 2020/21:
 - (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>
	<u>%</u>	<u>%</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

- (o) That the Director of Finance be authorised to enter into such loans or undertake such arrangements as necessary to finance capital payments in 2017/18, subject to the prudential limits in Appendix L;
- (p) That the Treasury Management Strategy Statement and the Annual Investment Strategy for 2017/18, as set out in Appendix L, be approved including:
 - (i) The Treasury Management Policy Statement, Appendix L, Annex 4;
 - (ii) The Annual Statement of the Annual Minimum Revenue Provision as set out in Appendix L, Annex 1;
- (q) That the Risk Management Policy and Strategy (Appendix H) be approved subject to consideration by the Corporate Governance Committee on 17th February 2017 and that the Director of Finance be authorised to make any necessary amendments arising from its consideration by the Corporate Governance Committee;
- (r) That the Capital Strategy (Appendix G) and Earmarked Funds Policy (Appendix I) to the report be approved.

(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 2017/18, to allow efficient financial administration during 2017/18 and to provide a basis for the planning of services over the next four years.

524. 2018/19 School and High Needs Funding Proposals.

The Cabinet considered a report of the Director of Children and Family Services concerning the second stage of two consultations issued by the Department for Education on the implementation of the National Funding Formula (NFF) for Schools and the introduction of a formulaic basis for the distribution of the High Needs Block of the Dedicated Schools Grant (DSG) in 2018/19. A copy of the report, marked '5', is filed with these minutes.

Mr. Ould CC said that he could not support the Government's proposals as most schools in Leicestershire, particularly primary schools and small schools, would be worse off as a result of the revised plans now put forward. Also, the inability to transfer funds from the schools high needs block took away the ability for the Authority to respond to local needs.

RESOLVED:

- (a) That the second stage consultations issued by the Department for Education on the implementation of a National Funding Formula for schools, and the formulaic distribution of the High Needs Block of Dedicated Schools Grant be noted;
- (b) That it be noted that the implications of the two consultations will be considered by the Schools Forum and the Children and Families Overview and Scrutiny Committee;
- (c) That a further report be submitted to the Cabinet in March 2017 setting out in detail the implications of the proposals for both the County Council and Leicestershire schools and academies, and a proposed response to the two consultations in light of any comments made by the Schools Forum and the Overview and Scrutiny Committee.

REASONS FOR DECISION:

To inform the Cabinet of the current proposals outlined within the two consultation documents.

525. 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 approval of Leicestershire's School Admissions Policy for entry from September 2018 and the oversubscription criteria and the three co-ordinated schemes for the normal round of transfers. A copy of the report, marked '6', is filed with these minutes.

RESOLVED:

- (a) That the recommendations of the Office of the Schools Adjudicator (OSA) which resulted in minor amendments being made to Leicestershire's School Admissions Policy in December 2016 be noted;
- (b) That the Leicestershire's School Admissions Policy for entry from September 2018, as set out in Appendix A to the report, be approved;
- (c) That Leicestershire's oversubscription criteria and the three co-ordinated schemes for the normal round of transfers for September 2018 entry, as set out in Appendix B to this report, remain unchanged.

REASONS FOR DECISION:

The School Standards and Framework Act 1998 places an obligation on the County Council to determine the admission arrangements for community and voluntary controlled schools in Leicestershire.

As the admitting authority the County Council is required to confirm the school admissions arrangements by 28 February on an annual basis, even if no changes are made.

Amending the School Admissions Policy in response to the recommendations of the Office of the Schools Adjudicator ensured continued compliance with the National School Admissions Code.

526. Development of a Rail Strategy (including HS2) for Leicester and Leicestershire.

The Cabinet considered a report of the Director of Environment and Transport which advised the Cabinet of the outcome of the consultation on the draft Leicester and Leicestershire Rail Strategy, sought approval for the adoption of the Strategy and provided an update on HS2 following the recent Government announcement on the revised route of the eastern leg (Phase 2b). A copy of the report, marked '7', is filed with these minutes.

Members noted the comments received from Mr. S. D. Sheahan CC and Mr. Steward, Chair of the Sir John Moore Foundation, copies of which are filed with these minutes.

Members further noted the revised 'Table 1 (Comparison of affected properties)' which had been circulated separately following a review of the exercise undertaken to identify the number of properties within specific distances affected by the revised HS2 route. A copy of the revised table is filed with these minutes.

The Leader sought, and the Director provided confirmation that his detailed comments to HS2 Ltd in response to the consultation on the revised route would reflect the concerns expressed by those residents who would now be affected and that officers would work with HS2 Ltd to mitigate these as far as possible.

The Leader emphasised the need for residents, parish councils and other local groups, to directly respond to the consultation identifying their concerns to ensure these could be taken on board by HS2 Ltd when it determined the final route.

Mr. Blunt CC highlighted the devastating impact the revised route would now have on the village of Appleby and the Sir John Moore building which was a grade I listed building. He agreed that the Council's comments to HS2 Ltd should support those residents as far as it was able.

Mr. Osborne CC said that the Rail Strategy prepared jointly with the City Council and the LLEP (Leicester and Leicestershire Enterprise Partnership) would enable the Authority to better influence the rail industry, including HS2 Ltd, to support the local economy which could bring great benefits to the area.

RESOLVED:

- (a) That the results of the consultation on the draft Leicester and Leicestershire Rail Strategy be noted;
- (b) That the Leicester and Leicestershire Rail Strategy attached as Appendix B to the report be approved;
- (c) That the Cabinet's support in principle for a HS2 route through the County to Toton, subject to the caveats set out in Paragraph 36 of this report, be confirmed with the additional caveat that there should be no diminution of rail services to London on the West Coast Main Line post-opening of HS2, in terms of journey

time, frequency of service and general standard of rolling stock;

- (d) That the Director of Environment and Transport, following consultation with the Lead Member, prepare and submit more detailed comments on the revised route to HS2 Ltd in response to the consultation on Phase 2b, reflecting the potential impact on communities, businesses and infrastructure throughout Leicestershire.

(KEY DECISION)

REASONS FOR DECISION:

Adoption of the Rail Strategy will provide the Authority and its partners with an evidence-based document with which to engage and seek to influence the rail industry, including HS2 Ltd.

Confirmation of the Authority's position on the revised routing of the eastern leg of HS2 will enable officers to respond to consultations within the specified time period.

527. Community Speed Enforcement.

The Cabinet considered a report by the Director of Environment and Transport regarding the Government's national safety camera policy and the Council's aim to ensure this would allow Leicestershire communities to benefit from more effective speed management than was possible under current policy and resource levels. A copy of the report, marked '8', and a supplementary report which was circulated separately are filed with these minutes.

Members noted the comments received from Mr. M. Hunt CC, Labour Spokesperson on Environment and Transport, Mr. D. Snartt CC, member for the Bradgate division, and Mr D. C. Bill CC, the Liberal Democrat Spokesman on Environment and Transport, copies of which are filed with these minutes.

The Director said that in the light of comments made by the Department for Transport (DfT), as detailed in the supplementary report, it was important for the County Council to obtain clarity on the standing of the national guidance.

Mr. Osborne CC said it did not seem appropriate for the Council as a leading Authority to have to go against national guidance in order to respond to its communities needs and the Authority therefore needed clarity from the DfT on the way forward. The Council was trying to respond to residents' concerns, proposing a new approach to tackle speeding which was widely supported. However, support from the DfT would be required to ensure that the costs of implementing this were met by those offending and not local residents.

Mr. Blunt CC said that the proposal was an excellent, common sense solution to addressing speeding making use of modern technology which hopefully the DfT would recognise and support.

Other Members further supported the proposals and highlighted areas within their divisions which would benefit from the proposals.

RESOLVED:

- (a) That the letter attached to the supplementary report be sent to the Department for Transport and copied to local MPs for information;
- (b) That Subject to the response received from the Department for Transport, the Council continues to campaign for change to the national policy guidance on safety cameras, notably for new siting criteria, and in any event for the retention of fine revenue by local authorities to fund the camera installation costs;
- (c) That Support for the Council's proposed approach be sought from partner organisations which comprise the Leicester, Leicestershire and Rutland Road Safety Partnership;
- (d) That the Director of Environment and Transport:
 - (i) develop suitable trial schemes to prove the concept of the proposed community safety camera approach;
 - (ii) develop local criteria for the wider use of safety cameras in Leicestershire; and
 - (iii) submits a further report to the Cabinet detailing the response from the Department for Transport to the appended letter, the proposed trial sites, and the proposed local criteria.

REASONS FOR DECISION:

To clarify whether the approach proposed by the Council regarding the wider use of speed cameras would fall within the national published guidance and if not, the implications for the Authority if it chose not to follow this.

To enable the County Council to make the case to the Government for a change in national guidance, as necessary, on the use of speed cameras and the retention of fine revenue to fund installation costs, to improve quality of life for communities and address concerns about speeding vehicles, and to improve the health and wellbeing of Leicestershire's residents by reducing road deaths and injuries, reducing the fear of road danger, and encouraging more walking and cycling.

528. Planning Applications in Melton Borough Villages.

(Mr. Rhodes, Mrs Posnett and Mr Orson, having each declared an interest in this item, left the room during its consideration).

The Cabinet considered a joint report of the Chief Executive and the Director of Children and Family Services which highlighted the current position and challenges faced by the County Council arising from a number of planning applications for housing developments in villages within Melton Borough, in particular in Long Clawson, Somerby and Waltham on the Wolds, and the need to ensure the local planning authority understood the Council's position when making its decision on these applications. A copy of the report, marked '9', is filed with these minutes.

Mr. Blunt CC said that whilst it was a matter for the Borough Council to decide each application it was for the County Council to ensure there were sufficient school places to

meet the needs of those living in the new developments once constructed, and it could not do this unless adequate funding from the developers was secured.

RESOLVED:

- (a) That the concerns of the County Council regarding the applications for housing developments in villages within Melton Borough be drawn to the attention of the Borough Council;
- (b) That in responding as a consultee on planning applications for housing development the County Council emphasise the need for the local planning authority to ensure that any development permitted is sustainable;
- (c) That Melton Borough Council be requested to put appropriate mechanisms in place to ensure that the necessary support, through s106 developer contributions, are secured from individual developers to ensure that the infrastructure needs arising from the developments can be fully provided in a timely manner.

REASONS FOR DECISION:

There is a risk that a number of development proposals in Melton villages may receive planning consent in advance of the Melton Borough Local Plan being adopted. This would put pressure on, and risk compromising, existing infrastructure in those areas, particularly schools. This in turn may put a significant financial burden on the County Council and run the risk that important infrastructure needed to support such developments is not provided, resulting in them being unsustainable.

It is important that the County Council does what it can to meet the demands on its services in increasingly difficult financial circumstances and local planning authorities should do all they can do to ensure developments are sustainable and meet the reasonable obligations requested of them.

Ensuring that developers make appropriate contributions to mitigate the consequences of their developments via s106 is essential if communities are not disadvantaged and the County Council is not put under excessive financial demands which it will not be able to meet.

(Mr Rhodes, Mrs Posnett and Mr Orson returned to the meeting.)

529. Integrated Commissioning of Mental Health Recovery and Resilience Services - Outcome of Consultation.

The Cabinet considered a report of the Director of Adults and Communities regarding the outcome of the consultation on the future of mental health services in Leicester, Leicestershire and Rutland (LLR) and sought approval to proceed with partnership commissioning and procurement arrangements for preventative mental health recovery and resilience services with the East Leicestershire and Rutland, West Leicestershire and Leicester City Clinical Commissioning Groups and Leicester City and Rutland Councils.

Mr. Houseman CC said that the new model provided a much more co-ordinated approach to supporting people with mental health issues and he was pleased to see that the number of 'hubs' in Leicestershire had been increased to 7 in response to consultation feedback.

Mr. White CC also supported the new approach and confirmed that this would provide a much better local response to supporting people with mental health problems.

RESOLVED:

- (a) That the outcome of the public consultation on the future of mental health services across Leicester, Leicestershire and Rutland, as set out in Appendix A to the report, be noted;
- (b) That the Director of Adults and Communities be authorised to take action as necessary to implement the proposed joint procurement and commissioning of preventative mental health recovery and resilience services as set out in paragraphs 49-55 of the report.

(KEY DECISION)

REASONS FOR DECISION:

Joint procurement of a single model of service across Leicester Leicestershire and Rutland will offer a more consistent approach to people with mental health difficulties who need support in the community and to other stakeholders.

The future joint commissioning and procurement of services, through combining health and social care funding, will make the best use of available resources and enable all commissioning partners to achieve efficiency savings. It will also support the aim of co-ordinating care and integrating services around the person in order to improve outcomes and ensure high quality and sustainable service provision.

The new model will support outcome-based commissioning and delivery in line with the principles set out in the Adult Social Care Strategy. It will also achieve savings of £116,000 per annum for Leicestershire from mid-2017 onwards, as part of the Medium Term Financial Strategy (MTFS) Public Health Early Help and Prevention Review – Adults and Communities Departmental saving requirement (PH3).

The views of customers and stakeholders have informed both the development of the new model and the final revised proposals, thereby determining how this can best be achieved. The consultation indicated good support for the overarching model from both customers and stakeholders, and areas of concern have been addressed through revision of the delivery model.

530. Items referred from Overview and Scrutiny.

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

11.00 am - 12.10 pm
10 February 2017

CHAIRMAN