



Minutes of a meeting of the Cabinet held at County Hall, Glenfield on Friday, 8 February 2019.

PRESENT

Mr. J. B. Rhodes CC (in the Chair)

Mr. R. Blunt CC
Mr. I. D. Ould OBE CC
Mr. B. L. Pain CC

Mrs. P. Posnett MBE CC
Mrs H. L. Richardson CC
Mr. R. J. Shepherd CC

Apologies

Mr. N. J. Rushton CC

In attendance

Mr. L. Breckon JP CC, Mrs. C. M. Radford CC and Mrs D. Taylor CC

240. Minutes of the previous meeting.

The minutes of the meeting held on 18 December 2018 were taken as read, confirmed and signed.

241. Urgent items.

There were no urgent items for consideration.

242. 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.

243. Provisional Medium Term Financial Strategy 2019/20 to 2022/23.

The Cabinet considered a report of the Director of Corporate Resources setting out the proposed Medium Term Financial Strategy for 2019/20 to 2022/23 (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 '4', is filed with these minutes.

Mr. Rhodes CC thanked everyone who had responded to the consultation and in particular the Overview and Scrutiny Committees and the Scrutiny Commission (the views of which were set out in Appendix O to the report). Mr. Rhodes said that the Council had anticipated the reductions in local government funding and planned accordingly with the result that, unlike many other councils, it could balance its budget for the next two years without needing to borrow or use its reserves.

RESOLVED:

- (a) That subject to the items below, approval be given to the Medium Term Financial Strategy which incorporates the recommended revenue budget for 2019/20 totalling £377m 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 2020/21, 2021/22 and 2022/23 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 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 earmarked funds as set out in Appendix K be noted and the use of those earmarked funds as indicated 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 2019/20 be as set out in Appendix L (including 1% for the adult social care precept) be approved;
- (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 2019/20 to 2022/23 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, which are 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 M, Annex 2, be noted and that the following limits be approved:

	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
Operational boundary for external debt				
i) Borrowing	264.1	263.6	263.1	262.6
ii) Other long term liabilities	1.2	1.1	1.0	1.0
TOTAL	265.3	264.7	264.1	263.6
Authorised limit for external debt				
i) Borrowing	274.1	273.6	273.1	272.6
ii) Other long term liabilities	1.2	1.1	1.0	1.0
TOTAL	275.3	274.7	274.1	273.6

- (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 2019/20 to 2022/23:
- (i) Upper limit on fixed interest exposures 100%,
 - (ii) Upper limit on variable rate exposures 50%,
 - (iii) 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

- (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 2019/20, subject to the prudential limits in Appendix M;
- (m) That the Treasury Management Strategy Statement and the Annual Investment Strategy for 2019/20, as set out in Appendix M, be approved including:
- (i) the Treasury Management Policy Statement (Appendix M, Annex 4), and
 - (ii) the Annual Statement of the Annual Minimum Revenue Provision (Appendix M, Annex 1);
- (n) That the Risk Management Policy and Strategy (Appendix I) be approved;
- (o) That the Capital Strategy (Appendix G), Corporate Asset Investment Fund Strategy (Appendix H) and Earmarked Funds Policy (Appendix J) be approved;
- (p) That it be noted that the partners of the Leicester and Leicestershire Business Rate Pool have agreed to continue with the arrangements for 2019/20 and to operate the 75% business rates retention pilot;
- (q) 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.

(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 2019/20, to allow efficient financial administration during 2019/20, and to provide a basis for the planning of services over the next four years.

244. Responses to Consultations on Local Authorities' Relative Needs and Resources and Business Rates Retention Reform.

The Cabinet considered a report of the Director of Corporate Resources regarding proposed responses to two consultations from the Ministry of Housing, Communities and Local Government; the first concerning aspects of the Fair Funding review, and the second on elements of the Business Rates Retention Scheme. A copy of the report, marked '5', is filed with these minutes.

RESOLVED:

That the responses to the consultations on "A review of local authorities' relative needs and resources" and "Business Rates Retention Reform" as set out in Appendices A and B to the report be approved for submission to the Ministry of Housing, Communities and Local Government.

REASONS FOR DECISION:

To respond to two key consultations on proposals that are expected to change the Local Government funding system significantly, so that the Council's views are known.

245. Recommissioning of Domestic Abuse and Sexual Violence Services.

The Cabinet considered a report of the Director of Children and Family Services regarding recommissioning work that had been undertaken in relation to the future provision of domestic abuse and sexual violence (DASV) services and seeking approval to consult on a proposed structure for those services across the Leicestershire, Leicester and Rutland area. A copy of the report, marked '6', is filed with these minutes.

The Director advised that the work had been subject to some delay so commencement of the consultation would be later than indicated and this would also affect the timing of reports to the Scrutiny Commission and the Cabinet.

Mr. Ould CC highlighted the proposed development of specialist support for children and young people.

RESOLVED:

- (a) That the work undertaken to recommission domestic abuse and sexual violence services across Leicestershire, Leicester and Rutland be noted;
- (b) That a 12-week public consultation exercise on the proposed structure for domestic abuse and sexual violence services be approved;
- (c) That a further report be submitted to the Cabinet later in 2019 regarding the outcome of the consultation exercise and presenting the final service model for approval.

(KEY DECISION)

REASONS FOR DECISION:

The County Council has a safeguarding responsibility to provide services to address DASV and currently jointly commissions a domestic abuse and sexual violence service with Leicester City and Rutland Councils and the Office of the Police and Crime Commissioner (the contract for which began on 1 December 2015 and ends on 31 March 2020).

There has been an increase in demand on DASV services across Leicester, Leicestershire and Rutland with limited resources within existing service provision to meet the growing need. Following a review of the current service model, combined with a review of need across the area, a revised delivery model is proposed with the aim of meeting future demand within available resources.

246. NHS Community Services Redesign and the Development of Integrated Health and Care Services.

The Cabinet considered a joint report of the Director of Adults and Communities and the Director of Health and Care Integration concerning the vision and scope of the NHS Community Services Redesign programme in Leicester, Leicestershire and Rutland, and work being undertaken to integrate community-based social care and health services including the proposed engagement arrangements for the initial phase of the work. A copy of the report, marked '7', is filed with these minutes.

Mrs Posnett CC welcomed the report, noting that the Council was engaged in a wide range of partnership work with the Health sector.

Mr. Blunt CC hoped that the NHS would learn from the Council's success in refocusing service models and targeting funding to improve care and help manage rising demand.

RESOLVED:

- (a) That the scope of the NHS Community Services Redesign programme be noted;
- (b) That the development of new models of integrated community-based health and social care be supported;
- (c) That the initial phase of public engagement by Council officers on the new model of integrated community-based social care and health services for Leicestershire be approved;
- (d) That a further report be submitted to the Cabinet later in 2019/20 regarding feedback from the engagement and the implications for Adult Social Care and Leicestershire's Better Care Fund of the proposals for integrated health and social care services for the County.

(KEY DECISION)

REASONS FOR DECISION:

The development of new service models will help support people on discharge from hospital, maintain and enhance people's health and enhance wellbeing, and avoid admissions to hospital.

Public engagement on proposals will help inform the new models of care. This will be carried out by the NHS in conjunction with the relevant local authority for each area.

The proposed changes may affect demand for adult social care and will alter the configuration of local community health services, including the service and estate within Leicestershire's community hospitals.

247. The NHS Long-Term Plan.

The Cabinet considered a joint report of the Director of Health and Care Integration, Director of Adults and Communities and Director of Public Health regarding a number of the high-level commitments in the NHS Long Term Plan, notably those which were likely to have implications for the County Council. A copy of the report, marked '8', is filed with these minutes.

Mrs Posnett CC said that the services commissioned by the Council's Public Health Department had been improved and outcomes enhanced at no extra cost. It was vital that local authorities were allocated sufficient funding.

RESOLVED:

- (a) That the overall level of ambition of the NHS Long Term Plan, having a large number of complex deliverables and milestones that will be challenging to deliver, nationally, locally, and financially be noted;
- (b) That the initial analysis of the implications of the NHS Long Term Plan for the County Council be noted;
- (c) That the definition of 'place' as described in the NHS Long Term Plan, as an Upper Tier Authority area be welcomed;
- (d) That the importance of the role of the County Council in the delivery of improvements to health and wellbeing outcomes within the Leicestershire population, which relies on effective partnership working across the public sector, at neighbourhood, place and system levels be noted;
- (e) That the County Council's ongoing commitment to work alongside the NHS in the further integration of health and care, both operationally and as a strategic commissioner of services is confirmed;
- (f) That the Directors of Health and Care Integration, Public Health and Adults and Communities, following consultation with the relevant Cabinet Lead Members, be authorised to explore with the local NHS the development of an Integrated Care System across Leicester, Leicestershire and Rutland and determine the involvement and role of local authorities in this regard, including where further progress and efficiencies can be made via integrated commissioning and pooled budgets;
- (g) That the Cabinet notes:
 - (i) the commissioning, service design innovation and partnership working local authority public health has undertaken that has resulted in 80% of health outcomes improving, or staying the same, since 2013

- (ii) the decline in performance of NHS England’s public health responsibilities, relating to vaccination and immunisation and screening programme coverage, over the same time period;
- (h) That accordingly the Cabinet notes, with concern:
- (i) The uncertainties regarding the future funding arrangements for the Public Health Grant
 - (ii) The lack of clarity in the commentary in the NHS Long Term Plan around the NHS’ future role in the planning and commissioning of health visiting, school nursing and sexual health services, currently commissioned by the County Council’s Public Health Department;
- (i) That this report and the County Council’s initial analysis of the Plan be drawn to the attention of the local NHS and, in respect of concerns about the funding of Public Health and NHS England’s intentions, to the Local Government Association.

REASONS FOR DECISION:

The NHS Long Term Plan includes a number of areas which are likely to have an impact on the County Council in terms of joint working, operationally in the delivery of care, and as a strategic commissioner of services. In particular the Plan refers to a continued support to the “blending of health and social care budgets where councils and CCGs agree that this makes sense.” The County Council has a number of existing pooled budget arrangements including the Better Care Fund.

The NHS Long Term Plan states that each local area will become an Integrated Care System (ICS) organised into three ‘tiers’: system, place and neighbourhood. The place level is defined as equating to the area covered by an upper tier local authority. There is a clear expectation that local authorities will wish to participate in ICSs.

NHS financial deficits are expected to be eliminated by 2023/24, which will present a major challenge to local NHS organisations. The NHS will also move away from organisational financial controls to system level controls. Full integration with the local NHS system would make the County Council vulnerable in this regard.

In addition to the challenging level of financial ambition in the NHS Long Term Plan, the stated expectation around digital developments is an example of another area which sets out a far greater level of ambition than currently set out in the Leicester, Leicestershire and Rutland digital roadmap. Similarly, without adequate resources, the renewed focus on prevention will be unachievable.

The NHS Long Term Plan indicates that the NHS has a desire for a greater role in the planning and commissioning of health visiting, school nursing and sexual health services, all of which are currently commissioned by the County Council’s Public Health Department. However, there is a lack of clarity nationally regarding what this role will entail. There is also a lack of clarity regarding the future of the Public Health Grant, expected to be resolved by the Comprehensive Spending Review.

248. Active Lives Survey 2018 - Physical Activity Levels in Leicestershire.

The Cabinet considered a report of the Director of Public Health regarding the results of the latest 'Active Lives' Survey by Sport England and physical activity trends in Leicestershire. A copy of the report, marked '9', is filed with these minutes.

RESOLVED:

- (a) That the report be noted;
- (b) That the Cabinet supports the need for a coordinated and coherent approach to improving physical activity levels in Leicestershire.

REASONS FOR DECISION:

The County Council has a duty to help improve the health of people living in Leicestershire and its Joint Health and Wellbeing Strategy 2017-2022 sets out the Council's vision for better health and wellbeing for all. Improving people's physical activity levels will contribute to this.

Physical activity is not limited to sports; people's daily activity levels are affected by issues such as transport needs, planning decisions, housing, and availability of green space.

249. Progress with Smart Library Implementation.

The Cabinet considered a report of the Director of Adults and Communities regarding progress with the implementation of smart library technology in County Council libraries and ongoing discussions concerning Melton library. A copy of the report, marked '10', is filed with these minutes.

Mr. Blunt CC expressed his thanks to Nigel Thomas, the Assistant Director, for his work on community libraries and the smart libraries programme.

RESOLVED:

- (a) That progress with the implementation of smart library technology at the libraries at Ashby de la Zouch, Birstall, Blaby, Broughton Astley, Coalville, Earl Shilton, Glenfield, Hinckley, Loughborough, Lutterworth, Oadby, Shepshed, Syston and Wigston be noted;
- (b) That it be noted that smart library technology will not be installed at Market Harborough library;
- (c) That, with regard to the ongoing discussions with Melton Brooksby College concerning Melton library, the Director of Adults and Communities following consultation with the Cabinet Lead Member be authorised to carry out further engagement activity and consultation as appropriate in relation to options outlined in the report.

REASONS FOR DECISION:

The full implementation of smart library technology across those libraries detailed in paragraph 2(a) of the report will achieve the targeted savings of £230,000.

Market Harborough library is in an open-plan building and for security reasons it is not practical to introduce a self-access system.

Enabling the Director to proceed with any engagement/consultation arising from the ongoing dialogue with Melton Brooksby College and to make appropriate arrangements for Melton library once agreed with the College will expedite the process. A further report to the Cabinet would be required should there be any significant variation to the arrangements for Melton library.

250. Place Marketing Arrangements.

The Cabinet considered a report of the Chief Executive proposing changes to the governance and management arrangements, previously agreed by the Cabinet, for the delivery of place marketing, strategic tourism and inward investment across Leicester and Leicestershire. A copy of the report, marked '11', is filed with these minutes.

Mr. Pain CC said that there had been good progress and effective joint working over the last few years including the creation of the Tourism Advisory Board, which was led by the private sector.

RESOLVED:

- (a) That place marketing, strategic tourism and inward investment activities be delivered through joint working arrangements between Leicester City Council and Leicestershire County Council;
- (b) That the Chief Executive be authorised to agree the terms of the Joint Working Agreement for place marketing, strategic tourism and inward investment arrangements with Leicester City Council.

REASONS FOR DECISION:

Since September 2017 place marketing, strategic tourism, and inward investment have been delivered jointly by the two Councils through a co-located team based at Leicester City Council. There has been good progress against the agreed business plan and strong private sector engagement; this has led to the conclusion that a company model is not required at the current time.

A Joint Working Agreement will set out the financial and service delivery commitments between the two Councils.

251. Items referred from Overview and Scrutiny.

There were no items referred from Overview and Scrutiny.

252. 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 the paragraphs 3 and 10 of Part 1 of Schedule 12A of the Act specified below and that, in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information:-
East of Lutterworth Strategic Development Area.

253. East of Lutterworth Strategic Development Area.

The Cabinet considered a report of the Director of Corporate Resources regarding progress with the East of Lutterworth Strategic Development Area (SDA), its inclusion in the Harborough Local Plan, the land assembly required for its delivery, and the updated financial position for the scheme. The report was not for publication by virtue of paragraphs 3 and 10 of Schedule 12(A) of the Local Government Act 1972. A copy of the report, marked '15', is filed with these minutes.

RESOLVED:

- (a) That progress with the East of Lutterworth Strategic Development Area including the Council's acquisition of land and the inclusion of the SDA within the emerging Harborough Local Plan 2011-2031, be noted;
- (b) That the continued promotion of the SDA in the emerging Harborough Local Plan and the further development of the SDA be agreed, noting the revised financial position and expected resource implications detailed in the report;
- (c) That it be noted that it is intended to submit the outline planning application for the SDA to Harborough District Council at the end of February 2019;
- (d) That the Director of Corporate Resources, following consultation with the Cabinet Lead Member for Resources, be authorised to acquire land which he considers necessary to deliver the SDA project, subject to:
 - (i) satisfactory terms first being approved by the Director of Law and Governance;
 - (ii) the total capital costs not exceeding the estimated £31m as detailed in the report plus 10% contingency to allow for any further price increases as negotiations are finalised.

(KEY DECISION)

REASONS FOR DECISION:

The allocation of additional resources and the acquisition of the remaining land within the SDA and other adjoining land will increase the future financial returns to the Council and decrease the risk of a potential 'blight' claim.

Authorising the Director of Corporate Resources to spend up to 10% over and above the current total capital cost estimated to buy the identified land will provide a degree of flexibility in the ongoing negotiations to acquire such land.

Ownership of the whole site by the County Council will support delivery of the SDA and its inclusion within the Harborough Local Plan, help ensure smoother progress through the planning and development process, and provide greater flexibility to ensure the scheme can be aligned with the Quality and Affordable Homes outcome of the Council's Strategic Plan.

11.00 am - 12.09 pm
8 February 2019

CHAIRMAN

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