



Minutes of a meeting of the Cabinet held at County Hall, Glenfield on Friday, 25 November 2022.

PRESENT

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

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

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

Apologies

Mr. R. J. Shepherd CC

In attendance

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

188. Minutes of the previous meeting.

The minutes of the meeting held on 25 October 2022 were taken as read, confirmed and signed.

189. To advise of urgent items.

The Chairman advised that there was one urgent item for consideration, a joint report of the Chief Executive, Director of Corporate Resources and Director of Law and Governance titled "County Deal". The report was urgent as it enabled the Chief Executive to be given delegated authority to submit a County Council response to the "East Midlands Devolution" consultation before the closing date.

190. 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.

191. Annual Delivery and Performance Compendium 2022.

The Cabinet considered a report of the Chief Executive which presented the draft Annual Delivery Report and Performance Compendium for 2022; this set out the Council's progress and performance over the past year. The Delivery Report focused largely on delivery against the new County Council priorities, as set out in the Council's Strategic Plan 2022-26 and other main service strategies. The Performance Compendium included information on comparative performance and 2021-22 performance outcome results, the low overall funding for Leicestershire and the current associated risks. A copy of the report marked 'Agenda Item 4' is filed with these minutes.

Mr. Breckon CC commended the report and highlighted the continued areas of focus. The Cabinet noted that the Council was performing well, despite the low funding, and agreed that the case for fairer funding needed to continue to be pressed.

RESOLVED:

- (a) That the overall progress in delivering on the Council's new Strategic Priorities, as set out in the draft Annual Delivery Report 2022, be noted;
- (b) That the Council's current low comparative funding, good performance position, and financial pressures and risks now facing the Authority set out in the Performance Compendium be noted;
- (c) That, in light of the pressure on the Council's financial sustainability arising from continued service demand and cost pressures, the Council continues to press its case for a fairer funding settlement, noting that the delay in implementation has created significant uncertainties as to how the Council can now address the many service challenges and priorities it faces;
- (d) That the Chief Executive, following consultation with the Leader, be authorised to make any amendments to the draft Annual Delivery Report and Performance Compendium prior to its submission for approval to the County Council on 7 December 2022.

REASONS FOR DECISION:

It is best practice in performance management, implicit in the LGA Sector-Les approach to local authority performance and part of the Council's Internal Governance Framework, to undertake a review of overall progress at the end of the year and to benchmark performance against comparable authorities. It is also good practice to produce an annual performance report and ensure that it is scrutinised, transparent, and made publicly available.

The National Audit Office has issues best practice guidance for annual reports, highlighting that the annual report is a key mechanism for transparent disclosure of an organisation's in-year performance and governance matters. The report should discuss how the entity has performed in the year, including areas where performance has deteriorated or is below expectations, and the other key risks.

The County Council is poorly funded in comparison with other local authorities and this, until addressed, will continue to affect delivery, performance, risks, and Council Tax levels.

The draft Annual Delivery Report and Performance Compendium may be modified to reflect comments made by the Cabinet as well as to include any final national comparative data which becomes available prior to its consideration by the County Council.

192. Managing the Risk Relating to the Delivery of Infrastructure to Support Growth.

The Cabinet considered a joint report of the Chief Executive and Director of Corporate Resources regarding the financial implications for the Council of delivering sustainable and inclusive growth and the approach and principles that it was proposed the Council

would adopt to address and manage these risks. The financial challenges associated with delivering the existing Capital Programme were highlighted, including the need to minimise risks associated with managing the cumulative impacts of growth and the need to ensure all Council forward funding was recovered. A copy of the report marked 'Agenda Item 5' is filed with these minutes.

#### RESOLVED:

- (a) That the financial implications and associated risks to the Council of delivering growth in the current financial climate be noted;
- (b) That the Council adopts the approach and principles outlined in paragraphs 51 to 63 of the report to manage the financial risks associated with capital infrastructure projects, including encouraging district councils to support the Council's engagement in the local planning process;
- (c) That the approach be communicated to district councils (as local planning authorities), developers and landowners;
- (d) That the Chief Executive write to district councils to make clear the Council's expectations and requirements with regard to the revised approach, specifically relating to forward-funding of infrastructure;
- (e) That the Council continues to engage with the Government to address the imbalance on relative funding levels between local authorities and in the increasing cost gap within the existing capital infrastructure programme.

#### REASONS FOR DECISION:

The key factor defining the approach outlined in the report is the Council's challenging and worsening financial outlook. This was reported in detail to the Cabinet in September 2022 where, due to pressures from inflation, increasing service demands and expected pay/national living wage increases, a gap of £29m is anticipated in the Council's revenue budget in 2023/24 rising to £135m by 2026/27. These gaps assume the currently programmed savings of £13m and £32m are delivered. Furthermore, the additional inflation pressures are expected to add around £45m to the cost of delivering the capital programme. Unless compensating reductions can be made this will add to the existing capital funding shortfall of £134m that was reported in September 2022.

Historically this Council has been in a position to provide modest levels of funding to support growth and to make available forward funding for infrastructure. The current financial challenges faced by the Council and the increasing costs of construction (through inflation), labour and material costs mean that, save for the specific highway projects outlined in the Appendix to the report, it is no longer in a position to do so.

The Council is committed to supporting the delivery of sustainable, inclusive and well-planned growth that benefits the residents and businesses of Leicestershire, but in the challenging financial circumstances the Council needs to set out its position in supporting this ambition.

It is also vital to ensure that Council investment in Capital Programme infrastructure projects is recovered to support future activity and that developer contributions keep pace with the cost of delivery.

The Government requires district councils to have an up-to-date Local Plan by the end of December 2023, as per its 'Planning for the Future' policy paper, published in March 2020. This, coupled with the sustained demand by Government to build homes at a rate of 300,000 a year across England, places significant increased pressure on councils and their finances to meet this challenge.

The recommendations will enable the Council to more effectively manage the resource pressures associated with the congested timetable of district council Local Plan development and review.

193. Leicester, Leicestershire and Rutland Carer's Strategy 2022-25.

The Cabinet considered a joint report of the Directors of Adults and Communities, Children and Family Services and Public Health regarding the outcome of the consultation exercise and to approve the joint Leicester, Leicestershire and Rutland Carers' Strategy 2022-25 and the associated Leicestershire action plan. A copy of the report marked 'Agenda Item 6' is filed with these minutes.

The draft Strategy had been considered by the Adults and Communities Overview and Scrutiny Committee at its meeting on 5 September 2022 and the comments arising from this meeting had been noted.

Mrs Radford CC welcomed the revised Strategy and commended the fact that carers had been involved in the consultation and that a number of their comments had helped to shape the final Strategy.

RESOLVED:

- (a) That the outcome of the consultation exercise and comments of the Adults and Communities Overview and Scrutiny Committee be noted;
- (b) That the joint Leicester, Leicestershire and Rutland Carers' Strategy 2022-25 be approved;
- (c) That the Leicestershire Carers' Strategy Action Plan be approved.

REASONS FOR DECISION:

The LLR Carers' Strategy 2022-2025 is a joint Strategy which has been developed by Leicestershire County Council, Leicester City Council, Rutland Council and the Integrated Care Board (ICB) across the LLR area.

The document is a refreshed version of the LLR Joint Carers' Strategy 2018-2021 "Recognising, Valuing and Supporting Carers". The aim of the refresh was to make the Strategy clearer and more accessible.

The formal joint consultation, undertaken alongside the partner Councils and the ICB, gave assurance that the Strategy reflected priorities from a carer perspective and supported the development of the more detailed action plan for Leicestershire.

194. Transfer of a Section of the Ashby Canal Transport and Works Act Order.

The Cabinet considered a joint report of the Director of Environment and Transport and the Director of Law and Governance regarding the statutory process required to be

followed in order to transfer certain transport powers to the Ashby Canal Association. A copy of the report marked 'Agenda Item 7' is filed with these minutes.

The Director of Environment and Transport reported that further advice had recently been received from the Government in relation to transferring powers. The Department was working with the Department for the Environment and Rural Affairs (DEFRA) to resolve any outstanding issues, following which further consultation and publicity would be required prior to the Order being made.

**RESOLVED:**

That a report be submitted to the County Council on 7 December recommending:

- (a) That the County Council resolves that it is satisfied that it is expedient for the Council to apply to the Secretary of State for Environment, Food and Rural Affairs to promote an Order under the Transport and Works Act 1992 to transfer powers under the Transport and Works Act Order 2005 to the Ashby Canal Association for a section of the Ashby Canal line between Snarestone and Measham;
- (b) That the County Council authorises the Director of Environment and Transport in consultation with the Director of Law and Governance to take all steps as may be necessary or expedient for the purposes of promotion of the Order.

**REASON FOR DECISION:**

To enable the Ashby Canal Association to take on the ownership and the obligations and responsibilities, subject to Secretary of State consent, regarding the restoration of the section of canal between the current terminus at Snarestone and Measham.

195. Items referred from Overview and Scrutiny.

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

196. County Deal.

The Cabinet considered a joint report of the Chief Executive, Director of Corporate Resources and Director of Law and Governance regarding the County Council's bid for a County Deal and the recommended response to the consultation on what was known as "East Midlands Devolution" on the consultation website. The report was urgent as it enabled the Chief Executive to be given delegated authority to submit a County Council response to the "East Midlands Devolution" consultation before the closing date. A copy of the report marked 'Agenda Item 9' is filed with these minutes.

**RESOLVED:**

- (a) That confirmation that the only County Deal currently on offer to Leicestershire is a combined county authority for Leicestershire, Leicester and Rutland (LLR), with level 2 devolution, be noted, a much reduced set of opportunities and benefits from those proposed by the County Council in its expression of interest in a County Deal which was welcomed by the Government;
- (b) That the possibility of a combined transport authority for LLR, under existing legislation, be noted;

- (c) That the Secretary of State for Levelling Up, Housing and Communities be requested, in the context of levelling up the East Midlands with the West Midlands, to consult on one or more other options in addition to the current consultation on the misleadingly named “East Midlands Devolution”, recognising that the East Midlands in the Government’s own definition includes areas other than Derby, Derbyshire, Nottingham and Nottinghamshire, and that public, private and organisational views on the best devolution option for the region should inform the Government’s response;
- (d) That the Chief Executive, following consultation with the Leader of the County Council, be given delegated authority to submit a County Council response to the “East Midlands Devolution” consultation in light of the Cabinet’s consideration of this report.

REASON FOR DECISION:

A Cabinet decision puts the County Council’s position on the record and enables a reply to the “East Midlands Devolution” consultation to be sent before the closing date.

11.00 - 11.37 am  
25 November 2022

CHAIRMAN