

COUNTY COUNCIL MEETING – 6TH DECEMBER 2023

POSITION STATEMENT FROM THE LEADER OF THE COUNCIL

MTFS

You could sum up the Autumn Statement in one word, growth. The outlook for the economy has weakened and the Chancellor obviously felt he needed to do something about it now. We will see in time whether it has had the desired impact, unfortunately the impact of no additional funding for public services will be felt much sooner.

Inflation has been higher than expected and the county's population continues to increase, which is putting a strain on services. We plan prudently so, whilst I had hoped for an improved settlement, an unchanged one wasn't a shock.

The substantial 10% rise in the National Living Wage will have been welcome news for workers. However, as the key determinant of the wages of social care workers the rise will add £20 million onto our budget compared to this year, equivalent to a 5% increase in Council Tax. The National Living Wage increase was far higher than expected and in response we will have to identify more savings than currently planned and seriously consider maximising Council Tax.

To continue balancing our budget will be extremely challenging and we must be realistic about how we best support the people of Leicestershire within the financial constraints that we have.

Outside of the Autumn Statement there was some positive news. Whilst you can debate whether the HS2 decision was right it is undoubtedly positive that the savings are being redirected to things that matter locally.

The Prime Minister's announcement in early October cancelling HS2 and diverting that money into Network North means that Leicestershire will see much more funding invested in our roads and rail networks over the next decade. We have been given an additional £4.05m for buses under the BSIP+ funding stream next year. This is on top of the already announced additional £1.79m for buses both this year and next year. Officers are working up proposals for this. However, I would stress that getting real value from such a significant allocation of an extra £5.8m in just one year on bus support will be difficult. There have been indications of further money following this, but until that is confirmed we face the situation of very short-term bus support and a potential cliff edge if future funding does not materialise.

Network North will also mean an additional £2.25m for highway maintenance this and next year. This will help with pressures we have in existing maintenance programmes and put us in a better position to deal with the winter pothole peak. I would remind members though that this funding will not stop our overall network deterioration and it is not until April 2025 onwards, when the Government has indicated a minimum uplift of £131m over a 9-year period for Leicestershire, that we would begin to slow the rate of deterioration and move towards improving the quality of our road network.

King's Award for Voluntary Service 2023.

You may recall in my statement in July last year that the Lord Lieutenant asked me to inform you of then called Queen's Award for Voluntary Service and for Members to encourage nominations within their Electoral Divisions. The Award is now called the King's Award for Voluntary Service and the 2023 winners were announced on 14th November, the King's birthday. I am pleased to inform you that the following five voluntary organisations within Leicestershire have been successful in receiving this prestigious award:

- **103TheEye:** a community run radio station which broadcasts 24/7 in Melton Mowbray. It is entirely volunteer run and is a pioneer in the community radio space. The station also runs training programmes for young people to learn about radio broadcasting.
- **Heartwize:** recognised for its efforts in increasing public awareness of the problem of out-of-hospital cardiac arrest. It also provides free CPR training programmes to businesses, schools and in the community, to ensure people have knowledge of CPR and use of AED (Automated External Defibrillators).
- Two groups from the Bosworth area were successful in this year's awards. These are **Bosworth In Bloom** which provides stunning floral displays each year, while maintaining a respect for the local environment and **Market Bosworth Community Library**, a community hub providing library services, resources and activities to benefit the surrounding rural community.
- **Swannington Heritage Trust:** rewarded for its efforts in transforming and preserving five industrial sites, including the Hough Mill, a restored 1790s corn mill. The Trust is also recognised for its work in researching and archiving records and artefacts for future generations to learn about Leicestershire history.

I am sure members will wish to join with me in sending congratulations to all the organisations concerned. The Lord-Lieutenant will be presenting their awards next year.

Devolution

I last updated the Council in my Position Statement in September following a very helpful and constructive meeting and correspondence with Dehenna Davison MP, then the Levelling Up Minister. As she had requested, later that month I wrote together with the City Mayor and the Leader of Rutland Council to her successor as Minister, Jacob Young MP, to say that we would collectively pursue a devolution deal at level 2 of the Government's framework and that mayoral devolution, also known as level 3, would not be pursued. The Council will be aware that agreement would have been required across the three Councils for mayoral devolution to be pursued and the Government required a joint response.

Towards the end of October we received a positive response from the Minister setting out the next steps towards a level 2 deal being concluded. The first step,

which we are aware follows the process used elsewhere, is for a meeting between senior officers of the three Councils and DLUHC civil servants. Officers had to chase for a time and date but that meeting is scheduled for next week. The following step will involve the three Leaders and Members of Parliament.

I still get enquiries from members about what is the difference between a level 2 deal and a level 3 deal. The answer is in the 'devolution framework' published with the Levelling Up White Paper in February 2022. It has been circulated widely but a further copy is attached to this statement. Members may have seen reference to new level 4 devolution in the recent Autumn Statement but that would only be available to areas with a level 3 deal.

I would also clarify the restrictions on the County Council in seeking a devolution deal. Level 2 and level 3 deals are only available across what Government calls a 'Functional Economic Area' (FEA). It has been made absolutely clear since February 2022 that Government do not regard the County of Leicestershire on its own as a FEA. The County plus the City of Leicester, or the County and the City plus Rutland, are regarded as a FEA.

Before the Levelling Up White Paper was published we did apply at the Government's invitation for what became known as level 3 deal for Leicestershire. The White Paper put an end to that. Therefore, if there is anyone who believes that after the White Paper we could have applied for a level 3 deal on our own, we could not – due to Government rules.

We are all aware that the Levelling Up Bill is now an Act and that other devolution deals have been announced. It is a pity that the Government's announcements have not included Leicester, Leicestershire and Rutland, but that is not a matter for me. I will continue to keep the Council updated about progress on the deal.

Hinckley National Rail Freight Interchange Update

The Hinckley National Rail Freight Interchange planning application is now going through the examination stage which is due to close on 12th March 2024 following which a report will be produced by the Examiners and forwarded to the Secretary of State with a recommendation on how he should determine the planning application. A decision is anticipated Autumn 2024.

A week of hybrid issue specific hearings took place during the week commencing 30th October which has resulted in the Examiners publishing a 72-page list of questions requiring further information and clarification. Whilst the majority of questions are directed to the applicant, Tritax, some additional information is sought from the County Council around highways, the socio-economic effects of the development and the contents of the draft development consent order. The deadline for responding to these questions is 9th January 2024 following which a further hybrid issue specific hearing will be held on 24th January to discuss traffic, transport and noise.

Whilst the applicant has submitted a significant amount of additional information to the Examination, to date this has not addressed the concerns expressed by the

County Council to the proposed development nor altered our recommendation that the application should be refused.

Mr N. J. Rushton
Leader of the Council