

CABINET – FRIDAY 7 FEBRUARY 2025**ORDER PAPER****ITEM DETAILS****APOLOGIES FOR ABSENCE**

None received.

1. MINUTES (Pages 3 -14)**Proposed motion**

That the minutes of the meeting held on 17 December 2024 be taken as read, confirmed, and signed.

2. URGENT ITEMS

None.

3. DECLARATIONS OF INTEREST

Members of the Cabinet are asked to declare any interests in the business to be discussed.

**4. PROVISIONAL MEDIUM TERM FINANCIAL STRATEGY 2025/26 TO 2028/29
(Pages 15 – 262)**

- *Appendix Q to this report, setting out the comments of the Overview and Scrutiny bodies, was circulated separately and is attached to this Order Paper, marked '4a'.*
- *Revised Appendices A, B, C and E have been circulated separately and are attached to this Order Paper, marked '4b'.*

Proposed motion

That the following be recommended to the County Council:

- (a) That subject to the items below, and following changes arising from the final Local Government Finance Settlement and receipt of final Business Rates information from Leicestershire district councils, approval be given to the Medium Term Financial Strategy (MTFS) which incorporates the recommended net revenue budget for 2025/26 totalling £615.2m 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 Business Rates, grant income and a reduction in the growth contingency, which taken together have no impact on the use of reserves;
- (c) That approval be given to the projected provisional revenue budgets for 2026/27, 2027/28 and 2028/29, set out in the revised Appendix B to the report, including the growth and savings for those years as set out in the 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 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;
- (e) That the level of the general fund and earmarked reserves as set out in Appendix K be noted and the planned use of those earmarked reserves as indicated in that appendix be approved;
- (f) That the amounts of the County Council's Council Tax for each band of dwelling and the precept payable by each billing authority for 2025/26 be as set out in Appendix M;
- (g) 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;
- (h) That approval be given to the 2025/26 to 2028/29 capital programme, totalling £439m, as set out in Appendix F;
- (i) 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, shown as future developments in the capital programme, to be funded from funding available;
- (j) That the financial indicators required under the Prudential Code included in Appendix N, Annex 2 be noted and that the following limits be approved:

	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m
Operational boundary for external debt				
i) Borrowing	201	197	232	271
ii) Other long term liabilities	6	6	6	5
TOTAL	207	203	238	276
Authorised limit for external debt				
i) Borrowing	211	207	242	281
ii) Other long term liabilities	6	6	6	5
TOTAL	217	213	248	286

- (k) 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;
- (l) That the following borrowing limits be approved for the period 2025/26 to 2028/29:

(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 20% of the portfolio.
- (m) 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;
- (n) That the Treasury Management Strategy Statement and the Annual Investment Strategy for 2025/26, 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;
- (o) 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;
- (p) That it be noted that the Leicester and Leicestershire Business Rate Pool will continue for 2025/26;

- (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 on 19 February 2025;
- (r) That School funding is subject to a 0.5% transfer of funding to the High Needs Block of the Dedicated Schools Grant;
- (s) That the Leicestershire School Funding Formula is subject to capping at 0.28% per pupil and continues to reflect the National Funding Formula for 2025/26;
- (t) That delegated authority be given to the Director of Children and Family Services, following consultation with the Lead Member for Children and Family Services, to agree the funding rates for early years providers.

5. ENGLISH DEVOLUTION WHITE PAPER: LOCAL GOVERNMENT REORGANISATION – INCLUDING URGENT ACTION TAKEN (Pages 263 – 270 and supplementary report pages 1-16)

Proposed motion

- a) That the urgent action taken by the Chief Executive under delegated authority to request the Minister of State for Local Government and English Devolution to postpone the County Council elections from May 2025 to May 2026 and to provide a clear commitment to devolution and reorganisation be noted;
- b) That the letter from the Minister of 5th February saying that he has decided not to agree to the request be noted, together with the invitation received from the Minister also on 5th February to submit a proposal for unitary local government reorganisation and the accompanying guidance and assessment criteria, including the requirement to submit an interim plan to Government before 21st March 2025;
- c) That the Minister's decision not to allow local government reorganisation in Leicester, Leicestershire and Rutland through the fast-track process, as jointly requested by the City Mayor, the Acting Leader of the County Council and the Leader of Rutland Council, has resulted in devolution to the area being further delayed with any estimated date for devolution currently uncertain;
- d) That the criteria for unitary local government be noted and supported, including that a unitary authority must be the right size to achieve efficiencies (with the aim of a population of 500,000) ensuring value for money for council tax payers, improve capacity and withstand financial shocks; must prioritise the delivery, improvement and sustainability of services; that reorganisation should avoid unnecessary fragmentation of services such as social care; and that a unitary authority should enable stronger community engagement and should reflect sensible geography and a sensible economic area;
- e) That it be noted that, following the publication of the English Devolution White Paper, a meeting of the Leaders and Chief Executives of the 10 councils in

Leicester, Leicestershire and Rutland took place on 8th January, at which no consensus was reached on unitary authority structure options and it was agreed to meet again after the receipt of the Minister's invitation to submit proposals and the criteria to be followed;

- f) That if consensus cannot be reached, it be noted that guidance on the interim plan recognises that it may contain more than one potential proposal for a unitary structure;
- g) That this supplementary report and the original report be submitted to the meeting of the County Council on 19 February for information;
- h) That progress on the interim plan be reported regularly to the Group Leaders.

6. RESPONSE TO MELTON LOCAL PLAN PARTIAL REVIEW REGULATION 19 PRE-SUBMISSION CONSULTATION DRAFT (Pages 271 - 286)

Proposed motion

That the response to Melton Borough Council's Draft Local Plan consultation, set out in paragraphs 34 – 37 and the appendix to the report, be approved.

7. RESPONSE TO THE OADBY AND WIGSTON LOCAL PLAN (2020-2041) REGULATION 19 PRE-SUBMISSION CONSULTATION DRAFT (Pages 287 - 316)

Proposed motion

- a) That the County Council's response to the Oadby and Wigston Borough Council's Draft Local Plan consultation, set out in paragraphs 35 – 61 and the appendix to the report, be approved;
- b) That it be noted that given the significant factors that affect the Plan from a transport perspective, the County Council considers that the Plan, in its current form, fails to meet the National Planning Policy Framework (NPPF) tests of soundness insofar as its Effectiveness and Consistency with national policy;
- c) That the decision of Oadby and Wigston Borough Council to pause progress on its new Local Plan following the close of the Regulation 19 consultation, in order to consider the requirements of the new National Planning Policy Framework, be noted.

8. STRATEGIC TRANSPORT PLANNING ISSUES ASSOCIATED WITH THE EMERGING CHARNWOOD LOCAL PLAN (Pages 317 – 334)

Proposed motion

- a) That the latest position in respect of the Local Plan be noted, including:
 - i. The Borough Council shared a draft initial viability report with officers of the County Council on 20 December 2024. This report contained

a high-level assessment of the Local Plan's ability to support the financial requirements of a Community Infrastructure Levy (CIL). County Council officers provided comments before the Borough Council submitted the final report to the Inspectors. County Council officers have not yet been provided with a final copy of the report, and it is not yet available on the Examination website;

- ii. On 24 January 2025, the Local Plan Inspectors responded to the Borough Council, after reviewing the initial viability report and the updated Local Development Scheme and have held that the Local Plan examination can continue. The Inspectors have outlined the next steps, which will include a period of consultation on the CIL viability report and its implications for the soundness of the Local Plan. The Inspectors will prepare a focused set of Matters, Issues and Questions, on which comments will be sought, and will hold a hearing session on the evidence and provide written responses to the questions. Depending on the outcome of the consultation and hearing session, consultation on Further Main Modifications will be required to complete the Examination. The Borough Council has been asked to respond if it wishes to proceed on this basis. No timescales have yet been provided by the Inspectors, therefore there still remains considerable uncertainty over the timetable and eventual adoption of the Local Plan. Additional hearing sessions may add further delays to the overall timetable for adoption of the Local Plan. The position of the Local Highway Authority (LHA) in respect of relevant planning applications coming forward ahead of the Local Plan has been reviewed, as set out in paragraphs 29 to 31 of the report, and will remain the same for the time being, until there is more certainty. It is likely that this will follow from the outcome of the forthcoming hearing sessions. In the meantime, officers are requested to write to the Inspectors, via the programme officer, seeking an invitation to attend and be represented at the hearings sessions when they resume;
- iii. The publication of the Borough Council's Full Council Questions and Responses in respect of the Local Development Scheme, Draft Local Plan and development of a CIL, and the County Council's concerns arising from the responses given, as summarised in paragraphs 34 to 38 from the Leader of the Borough Council, in particular the Response, to a Question that "the County Council has disengaged from discussing the local plan" is incorrect;
- iv. The potential implications for the LHA in its role as statutory consultee arising from the Local Plan process, as set out in paragraphs 27 and 28;

- v. The discussions to date with respect to establishing appropriate governance for joint working between the County and Borough Councils going forward in respect of highways and transport matters, noting also the Cabinet's previous resolution of 17 December 2024 that a more appropriate governance structure than the current Infrastructure Board is needed;
- b) That in line with previous recommendations and delegations, the Chief Executive, the Director of Environment and Transport, and the Director of Law and Governance, following consultation with the appropriate Cabinet Lead Members, be authorised to:
- i. Continue work to establish a more appropriate governance structure to allow the County Council to work alongside, support, and co-operate with the Borough Council as necessary;
 - ii. Participate appropriately in the development and implementation of a CIL charging schedule in line with national guidance and to seek to influence the adoption of a CIL as soon as possible, recognising the potential for work to be undertaken at risk ahead of possible further Local Plan examination sessions;
 - iii. Seek to mitigate the impacts arising from the potential further delays to the adoption of the Local Plan as far as reasonably possible.

9. FLOODING IN LEICESTERSHIRE IN JANUARY 2025 AND IMPLICATIONS FOR THE LEAD LOCAL FLOOD AUTHORITY AND LOCAL HIGHWAY AUTHORITY
(Pages 335 - 356)

- *Comments have been received from Dr. K. Feltham CC and are appended to this Order Paper, marked '9a'.*
- *A letter has been received from Neil O'Brien MP and a copy is appended to this Order Paper, marked '9b'.*
- *A written submission has been received from a local resident of Great Glen, and a copy is appended to this Order Paper, marked '9c'.*
- *With the agreement of the Chairman, Mr. N. Bannister CC will speak on this item.*

Proposed motion

- a) That in respect of the Lead Local Flood Authority (LLFA),
- i. the valuable contribution made to the response and recovery efforts of colleagues across the Leicestershire, Leicester and Rutland (LLR) Local Resilience Forum (LRF) as well as the many flood wardens, flood action groups and other community members from across the County, who have helped to provide detailed information to support

Risk Management Authorities in their investigations be noted with thanks;

- ii. the allocation of an initial £20,000 of discretionary funds for the financial year 2024/25 towards supporting Leicestershire communities recovering from the most recent flooding, with a further £80,000 funding in 2025/26 to increase the preparedness and resilience for any future flood events, as set out in Table 1, be approved;
 - iii. the approach to planning for increased workload due to the increased frequency of severe weather and associated flooding issues, together with the approach to prioritisation of current workload, as set out in paragraphs 49 to 53, be approved;
 - iv. the use of additional funding set out in the Medium Term Financial Strategy (MTFS) to develop the Flood Risk Management Team (£20,000 in 2024/25 rising to £220,000 in 2025/26) to help deal with increased workload arising from previous flood events and potential future incidents, as detailed in paragraphs 49 and 50, be approved;
 - v. it be noted that further reviews of the LLFA structure and prioritisation may be required as more information becomes available;
 - vi. a further letter be written to Leicestershire Members of Parliament (MPs) and the Secretary of State to highlight the significant impact this event and others have had on many Leicestershire residents, homes and businesses and to seek support and investment in flood prevention and managing the impacts of flooding as an urgent priority in line with paragraphs 56-61;
 - vii. the approach to communication and engagement on flood events as set out in paragraphs 54 and 55 be approved;
- b) That in respect of the Local Highway Authority (LHA),
- i) the impacts of recent flood events on the highway network and steps taken to respond to these events be noted;
 - ii) the use of additional funding set out through the MTFS to support flood response and recovery activity in the LHA (resulting in additional costs of £460,000 in 2024/25 rising to £700,000 in 2025/26), as set out in paragraph 64, be approved.

10. REVISED ENVIRONMENT STRATEGY AND NET ZERO ACTION PLANS (Pages 357 - 426)

- *The report was considered by the Environment and Climate Change Overview and Scrutiny Committee on 22 January 2025 and its comments are attached to this Order Paper, marked ‘10a’.*
- *Comments have been received from Mr. M. Hunt CC and are appended to this Order Paper marked ‘10b’.*

Proposed motion

- a) That the revised Environment Strategy Action Plan, 2035 Net Zero Council Action Plan and 2050 Net Zero Leicestershire Action Plan be approved;
- b) That the common Mink Control Policy for all members of the Leicestershire and Rutland Water Vole Steering Group be approved;
- c) That the provision of delegated responsibility to the Director of Environment and Transport to approve any future similar control policies in relation to invasive and non-native species, following consultation with the Cabinet Lead Member and relevant service areas within the Council, be approved.

11. SPECIAL EDUCATIONAL NEEDS AND DISABILITIES (SEND) AND INCLUSION STRATEGY 2024-27 (Pages 427 - 482)

Proposed motion

That the draft refreshed Special Educational Needs and Disabilities (SEND) and Inclusion Strategy be approved for consultation.

12. LEICESTERSHIRE’S POLICY ON ADMISSIONS TO MAINSTREAM SCHOOLS: DETERMINATION OF ADMISSION ARRANGEMENTS (Pages 483 – 554)

Proposed motion

That the changes to admissions arrangements at Stathern Primary School, St. Mary’s CE Primary School (Hinckley), Burbage Junior School, St. Denys CE Infant School, Ibstock, and Ibstock Junior School, as set out in paragraph 24 of the report, be approved.

13. EXCEPTION TO CONTRACT PROCEDURE RULES TO PROVIDE AGENCY COVER FOR THE PROVISION OF SPECIAL EDUCATIONAL NEEDS ASSESSMENT (SENA) TRIBUNAL OFFICERS – URGENT ACTION TAKEN BY THE CHIEF EXECUTIVE (Pages 555 – 560)

Proposed motion

That the action taken by the Chief Executive to approve an exception to the Contract Procedure Rules to enable the direct award of contracts for the temporary provision of two agency SENA Tribunal Officers with the contract running until 31 March 2025, up to a maximum spend of £282,693.00, be noted.

14. ANNUAL REPORT OF THE DIRECTOR OF PUBLIC HEALTH: LEICESTERSHIRE’S HEALTH – INEQUALITIES IN HEALTH (Pages 561 – 602)

Proposed motion

- a) That the recommendations contained within the Director of Public Health's Annual Report 2024 be supported;
- b) That it be noted that the Annual Report will be submitted to the County Council on 19 February 2025.

15. ITEMS REFERRED FROM OVERVIEW AND SCRUTINY

None.

16. ANY OTHER ITEMS WHICH THE CHAIRMAN HAS DECIDED TO TAKE AS URGENT

None.

Officer to contact

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