



Minutes of a meeting of the Cabinet held at County Hall, Glenfield on Tuesday, 15 July 2025.

PRESENT

Mr. D. Harrison CC (in the Chair)

Mr. J. Boam CC
Miss. H. Butler CC
Mr. H. Fowler CC
Mr. C. Pugsley CC

Mr. V. Richichi CC
Mr. M. Squires CC
Mr. A. Tilbury CC
Mr. C. Whitford CC

18. Minutes.

The minutes of the meeting held on 3 July 2025 were taken as read, confirmed and signed.

19. Urgent items.

There were no urgent items for consideration.

20. 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.

Miss. H. Butler CC declared a Non-Registrable Interest in Item 7 (Latest Position and Response to Consultation on Further Main Modifications to the Charnwood Local Plan 2021-2037) as an elected member representing the County Council in the Charnwood area.

Miss. H. Butler CC also declared a Non-Registrable interest in Item 16 – Operation of the School Food Service.

21. Medium Term Financial Strategy Update.

The Cabinet considered a report of the Director of Corporate Resources which provided an update on the Spending Review and Fair Funding consultation, both issued in June, and their potential impact on the County Council's financial position. An update was also provided on the approach to updating the Council's Medium Term Financial Strategy (MTFS) ahead of the budget setting process for 2026/27 and approval was sought to commence a procurement process to commission external support for identifying further savings. Copies of the report and supplementary report, both marked 'Item 4', are filed with these minutes.

Miss. H. Butler CC commented that the recent Spending Review posed a challenge for local government. Most of the Council's projected core spending power was expected to come from higher Council Tax and Business Rates, based on the assumption that these would be increased to the maximum, which was not felt to be sustainable or fair on local residents.

It was noted that the Government was currently consulting on a new funding formula; this did not provide the clarity required and unlike previous years, no example figures had been released alongside the consultation. As a result, it would be more difficult for the Council to plan and for residents to understand any real impact. If multi-year settlements were implemented, no gains or losses would be fully realised until Year 4 of the MTFS.

Members noted that, at present, the Council's MTFS would still show a gap of £90m. In addition, the Council faced a separate High Needs deficit of over £100m by 2028/29. Whilst the Government had extended the statutory override, this would only delay the issue and unless extra Government support became available, there could be a risk to the Council's financial stability.

Miss Butler CC noted that Leicestershire remained the lowest funded County in the country and work would take place with all Leicestershire MPs to try to get a fairer deal. However, in the meantime, a procurement exercise would be undertaken to commission a Council-wide savings review. Assurance was given that, at this stage, there had been no commitment to anything and all options were being considered.

RESOLVED:

- a) That the update on the Spending Review be noted;
- b) That the update on the Fair Funding consultation be noted, and approval be given for the Director of Corporate Resources, following consultation with the Lead Member for Resources, to submit a response to the consultation;
- c) That the ongoing uncertainty be noted around the impact that recommendations a and b above will have on the Council's position and that Leicestershire's Members of Parliament be engaged to lobby on the Council's behalf;
- d) That the commencement of a procurement process to commission a Council-wide savings review be approved, with a report being brought back to the Cabinet prior to any award being made.

REASONS FOR DECISION:

To inform the Cabinet of the key announcements arising from the Spending Review and Fair Funding consultation and, where possible, give indications of the likely impact on the County Council's financial position.

The Council needs to continue to make progress in closing the current MTFS gap to allow a balanced budget position to be presented to the County Council for approval in February 2026.

22. Annual Treasury Management Strategy 2024/25.

The Cabinet considered a report of the Director of Corporate Resources which presented the action taken and the performance achieved in respect of the treasury management activities of the Council in 2024/25. A copy of the report, marked 'Agenda Item 5', is filed with these minutes.

Members welcomed the report, which had been considered by the Corporate Governance Committee at its meeting on 23 June 2025.

RESOLVED:

That the report be noted.

REASON FOR DECISION:

The Authority's full adoption of the CIPFA Code of Practice for treasury management requires an annual report on Treasury Management activity and performance to be considered by both the Cabinet and the Corporate Governance Committee before the end of September each year.

23. Future of Beaumanor Hall and Park.

The Cabinet considered a report of the Director of Corporate Resources which set out the historic, current and future financial performance of Beaumanor Hall and Park as one of the Council's Traded Services. Approval was also sought for the Director of Corporate Resources to be authorised to commence an engagement process to understand how the site might be enhanced in order to improve the financial performance, noting the current subsidy position and the potential impact on the Council's Medium Term Financial Strategy (MTFS). Copies of the report and supplementary report, both marked 'Agenda Item 6', are filed with these minutes.

Miss. H. Butler CC reiterated that Beaumanor Hall was currently operating at a loss. An engagement process was due to commence in August for a period of two months, and this would provide an opportunity to review the site and see what could be done differently to help shape its future.

Mr. A. Tilbury CC agreed that the site was a historical asset for the Council and had a lot of potential to be successful. Stakeholders and members of the public were encouraged to get involved in the engagement process.

RESOLVED:

- a) That the historic, current and future financial performance of Beaumanor Hall and Park be noted;
- b) That the comments from the Scrutiny Commission be noted;
- c) That the Director of Corporate Resources be authorised to commence an engagement process with stakeholders to establish options to improve the future financial performance of the site.

(KEY DECISION)

REASONS FOR DECISION

Beaumanor has always required a financial subsidy from the County Council. If nothing changes, the long term outlook for the site does not suggest that this position will

materially change. It is therefore necessary to establish options to try to improve the financial performance of the site given growing pressure on the Council's finances.

The Scrutiny Commission, at its meeting in March 2025, following consideration of an exempt report on the performance of Beaumanor, requested its concerns regarding the future financial performance of Beaumanor be considered by the Cabinet.

An engagement process will allow the Council to work with the market, local community and schools to determine the right approach to remove the cost to the County Council and improve its financial performance to better support the Council's Medium Term Financial Strategy.

24. Latest Position and Response to Consultation on Further Main Modifications to the Charnwood Local Plan 2021-2037.

The Cabinet considered a joint report of the Chief Executive and the Director of Environment and Transport which provided an update on Charnwood Borough Council's emerging Local Plan, set out a proposed approach to the further Main Modifications consultation and provided an update on the proposed implementation of a Community Infrastructure Levy (CIL). A copy of the report, marked 'Agenda Item 7', is filed with these minutes.

Mr. H. Fowler CC commented that the Charnwood Local Plan review had been in progress for a number of years and planning permission had been granted for a variety of the proposed site allocations with current applications under further review. Until now, there had been no mechanism in place to secure the necessary contributions from developers. The introduction of a Community Infrastructure Levy was felt to be the best way forward to address the shortfall and members agreed that this should be adopted as soon as possible.

RESOLVED:

- a) That the latest position in respect of the Local Plan, set out in paragraphs 27-30 of the report, be noted;
- b) That the proposed approach to the County Council's response to the further Main Modifications consultation set out in paragraphs 31-34 be noted;
- c) That the position be noted, including the associated risks and concerns, with respect to the preparation and implementation of the proposed Community Infrastructure Levy (CIL) and that the further work and next steps set out in paragraphs 35-40 be approved;
- d) That the continued implications for the Local Highway Authority in respect of the planning process and the continued position of the Local Highway Authority in its approach to planning consultations set out in paragraphs 43-45 be noted;
- e) 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) 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 processes;
- ii) Respond to formal and informal consultations on the development of CIL with reference to minimising risk for the County Council in its statutory roles as required;
- iii) Seek to mitigate the impacts arising from the potential further delays to the adoption of the Local Plan as far as reasonably possible.

REASONS FOR DECISION:

The County Council seeks to influence the content of the Local Plan in the interest of local communities, including ensuring that the Local Plan provides a robust as possible policy platform for sustainable development by securing the provision of the infrastructure and services required to support its successful delivery.

The substantial number of sites allocated in the emerging Local Plan that have been (or could be in the near future) granted planning permission without contributing to the delivery of the identified highways and transport measures, due to the lack of an agreed mechanism to secure strategic contributions, have the potential to undermine the delivery of the necessary infrastructure over the life of the Local Plan.

The current proposed Main Modifications to the Local Plan reflect the proposed implementation of a CIL. Main modifications are material changes to a submitted local plan which are necessary to make it sound and legally compliant. As previously identified, the expedient adoption of a CIL is the best way to mitigate the potentially negative impacts of a lack of strategic transport investment needed to support growth in Charnwood.

The County Council is therefore supportive of these further Main Modifications in principle and will continue to seek to mitigate these impacts as far as practically possible. These impacts include those associated with any further delays to the adoption of the Local Plan and approval of allocated sites in advance of an agreed mechanism to secure contributions to (and subsequent delivery of) strategic highways and transport measures.

25. Additional Highways and Transport Funding Awards 2025/26.

The Cabinet considered a report of the Director of Environment and Transport which set out the proposed changes to the existing Highways and Transport Capital Programme delivery, including the North and East Melton Mowbray Distributor Road, Section 106 programme and The Parade, Oadby Cycle Optimised Protected Signals (CYCLOPS) scheme. An update was also provided on the additional £22m highways and transport related funding awarded to the County Council since the current Medium Term Financial Strategy was approved by the Council in February 2025. Approval was also sought for the development and delivery of the additional programmes in relation to the latest funding awards, in line with the relevant funding terms and conditions. A copy of the report, marked 'Agenda Item 8', is filed with these minutes.

As the Lead Member for Highways, Transport and Waste, Mr. C. Whitford CC welcomed the additional investment in Leicestershire's highways. The additional Local Transport Grant and maintenance allocation would assist in responding to community concerns and investing in highways assets. The additional investment in active travel was also welcomed. The announcement of multi-year funding settlements would enable the Environment and Transport department to develop a pipeline of schemes for delivery. Members also acknowledged the challenges of delivering the capital programme and it was pleasing to see these being addressed.

RESOLVED:

- a) That the following proposed changes to the 2025/26 Highways and Transportation Capital Programme be approved:
 - i) Reallocation of funding from the advanced design programme to the North and East Melton Mowbray Distributor Road (NEMMDR), as set out in paragraphs 23-31 of the report;
 - ii) Creation of a Market Harborough Programme, in line with the approach set out in paragraphs 10 and 32-35 of the report, making use of the Section 106 monetary contributions collected against the Market Harborough Transport Strategy and Consolidated Active Travel Funding;
 - iii) Proposed delay to delivery of the Parade, Oadby Cycle Optimised Protected Signals (CYCLOPS) scheme, to allow for additional work, including redesign, following public consultation and engagement with Active Travel England (ATE) noting the risks that are associated with this approach, as set out in paragraphs 11 and 36-40 of the report;
- b) That the additional funding awarded to the Local Highway Authority (LHA) be noted, including the Local Transport Grant (LTG), the Active Travel Fund 5 (ATF5) and Consolidated Active Travel Fund (CATF), and the Department for Transport's additional maintenance grant;
- c) That the associated programmes as detailed in paragraphs 41-61 of the report be approved;
- d) That the Director of Environment and Transport be authorised:
 - i) To undertake the necessary work and secure the necessary resources to progress the development and delivery of programmes, as set out in paragraphs 32-61 of the report, in line with the specific funding grant conditions;
 - ii) Following consultation with the Director of Corporate Resources, the Cabinet Lead Member for Highways, Transport and Waste, and the Cabinet Lead Member for Resources, to prepare and submit bids, as appropriate, to secure external funding for the delivery of schemes that are identified in the programmes;
 - iii) Following consultation with the Director of Corporate Resources, the Director of Law and Governance and the Cabinet Lead Member for Resources, to enter such contracts as are necessary to progress schemes in the approved programmes.

(KEY DECISION)

REASONS FOR DECISION:

The reallocation of funding will allow the Council, as the LHA, to complete the Large Local Majors (LLM) scheme (such as NEMMDR) by reallocating funding provisionally profiled across the four years of the MTFs from the Highways and Transportation Advanced Design Programme. Activities, such as bid preparation, designing schemes to mitigate growth and smaller active travel and safety schemes, can now be funded through LTG funding.

The recommendations ensure that the LHA makes best use of external funding by consolidating the funding that is available and meeting the timescales for the S106 spend.

The LHA is committed to promoting active and sustainable travel and it is critical that funding invested in infrastructure designed to encourage walking and cycling is effective. The recommendations will allow the LHA to redesign The Parade, Oadby CYCLOPS scheme to respond to community and safety concerns and liaise with ATE to ensure that the funding can still be applied to the revised scheme. Although there is a risk that ATE will not approve the revised scheme, officers have considered that implementing the scheme, as currently approved by ATE, would not reflect the community priorities, that it would fail to realise the full potential for encouraging more active travel journeys in the area and that it would potentially present safety issues caused by lack of compliance with the new layout. The outcome of this work will be reported to the Cabinet following further design work and public engagement.

The programmes will be developed and delivered in accordance with the guidance issued by the relevant funding bodies and, where it is necessary, seek support from the external market to manage the significant increase in delivery that is now required in 2025/26.

26. Leicestershire County Council's Approach to Flooding.

The Cabinet considered a report of the Director of Environment and Transport which outlined the key roles and responsibilities of Leicestershire County Council with respect to flooding, in its capacity as the Lead Local Flood Authority (LLFA) and the Local Highway Authority (LHA), provided an overview of the impacts of recent flood events and set out proposed priorities for further funding for consideration as part of the 2026-30 Medium Term Financial Strategy process. A copy of the report, marked 'Agenda Item 9', is filed with these minutes.

Comments had been received from Mr. A. Innes CC and are filed with these minutes.

Mr. A. Tilbury CC acknowledged the devastating effects of flooding and gave assurance that this was a key priority. He stated that he was due to undertake the following site visits in the near future – Melton Mowbray to look at the poor state of the rivers, Beacon Hill to view the flood management system, Market Harborough to speak with local flood wardens, the flood works currently underway at Breedon on the Hill, and the Grand Union canal in Loughborough. Feedback would be provided once the visits had taken place.

RESOLVED:

- a) That the key roles of the County Council as the Lead Local Flood Authority (LLFA) and the Local Highway Authority (LHA) with respect to flooding be noted;

- b) That the extent and impacts of flooding events in Leicestershire over the last two years be noted;
- c) That the proposed priorities for further funding towards flood related activities, for consideration and prioritisation as part of the 2026-30 Medium Term Financial Strategy, be approved;
- d) That the Director of Environment and Transport, in consultation with the Cabinet Lead Member and the Director of Corporate Resources, be authorised to maximise opportunities to bid for funding from external sources and funding providers.

(KEY DECISION)

REASONS FOR DECISION

Recent flood events over the past two years, as outlined in paragraphs 49 to 59, have had a significant impact on many communities across Leicestershire and this in turn has placed substantial pressure on the resources of the County Council in its capacity as the LLFA and the LHA in trying to support those communities.

The LLFA's and the LHA's resource is focused on statutory requirements as detailed in paragraphs 28 to 48. Whilst the LLFA will endeavour to do everything it can to support communities in the management of local flood risk, it should be emphasised that the LLFA is not responsible for, nor is it required by law to, resolve all flooding matters. The LLFA does not receive funding for this purpose. Likewise, the LHA can only apply its risk-based approach to gully cleansing to the best of its capabilities with the resource levels that it has.

Additional one-off funding, allocated as part of the 2025-29 MTFS, as set out in paragraphs 64 to 66, has helped to manage some of this pressure with flooding in particular, by providing additional resource to address the impacts and workload set out in the report, as occurrences of flooding have become more frequent in recent years.

Recommended funding options are proposed in paragraphs 67 to 71 as a focus for consideration as part of the 2026-30 MTFS process.

The requests for additional resource represent steps to help address the work generated by the recent major flood events. It will also allow the LLFA and the LHA to set out a more resilient business as usual resource to manage flood risk impacts, building on the previous one-off funding allocated.

Under the direction of the Director of Environment and Transport, the LLFA will continue to maximise the opportunities for funding from external sources and providers towards the implementation of flood alleviation projects, as outlined in paragraphs 38 to 41.

As the LHA, the County Council is responsible for the safe operation of the highways and transport network and the maintenance approach to highways assets. It has been necessary to undertake additional activities to respond to flood events in line with these responsibilities.

27. Proposal to Re-prioritise Net Zero Action Plans.

The Cabinet considered a report of the Director of Environment and Transport which sought views on the reallocation of the £2m carbon reduction reserve and to change the focus of the activities delivered under the Net Zero Action Plan, as requested by the Leader of the Council. A copy of the report, marked 'Agenda Item 10', is filed with these minutes.

Comments have been received from Mrs. D. Taylor CC and are attached to these minutes.

Members agreed with the reallocation of funding to assist with flooding due to the threat it posed to local communities, and commented that if investment continued to be made in Net Zero, it would be difficult to see the impact that this would have on the climate.

RESOLVED:

- a) That the reallocation of £2m from the earmarked reserve for carbon reduction work to flooding mitigation initiatives and to adapting services towards mitigating the impacts of severe weather events be approved;
- b) That support be given to a change of focus in the activities delivered under the Net Zero Action Plan from carbon reduction to:
 - i. Climate adaptation and responding to severe weather events
 - ii. Projects that deliver financial savings
 - iii. Projects that deliver additional social, economic or environmental benefits, in support of the Council's Strategic outcomes.

(KEY DECISION)

REASON FOR DECISION

The Leader of the Council has requested the opportunity to reconsider the allocation of the earmarked reserve and change in focus of activity under the Net Zero Action Plan.

28. Home Care for Leicestershire Procurement.

Members considered a report of the Director of Adults and Communities on Home Care for Leicestershire Procurement. A copy of the report, marked agenda item 11, is filed with these minutes.

Members noted comments from Mr A Innes CC raising concerns around the procurement process, a copy of which is also filed with these minutes.

Mr M Squires CC indicated that the Cabinet also had some concerns with the proposal for a fixed hourly rate, which did not incentivise cost cutting nor have any impact on providers which were not meeting their contractual obligations. It was suggested that this area required further consideration by Members. However, subject to this the proposals were otherwise considered to be good, noting changes to zoning of some areas of the County, which should lead to substantial cost savings.

(KEY DECISION)

RESOLVED:

- a) That the Director of Adults and Communities following consultation with the Lead Member for Adults and Communities and the Leader of the Council be given delegated authority to agree the process for the procurement of home care providers;
- b) That, in light of the comments now made, more detailed consideration of the report be deferred, noting that further discussion would take place before the Director exercised his delegation.

REASONS FOR DECISION:

The Cabinet considers that it needs to have further discussion regarding the proposed fixed hourly rates. Delegation to the Director to agree the process, following consultation with the Leader and Cabinet Lead Member, will enable the procurement to commence as planned once the Cabinet's concerns have been addressed.

The Care Act 2014 requires local authorities to help develop a market that delivers a wide range of sustainable high-quality care and support services, that will be available to their communities. A wide range of high-quality services will give people more control and help them to make more effective and personalised choices over their care.

The existing HCL Framework expires in October 2026 with no options remaining within the contract to extend the current arrangements. With the introduction of the Procurement Act 2023 in February 2025, it is timely to re-commission the service under current legislation. The Procurement Act 2023 introduces open frameworks which are a scheme of successive frameworks on substantially the same terms, with a combined term of eight years. Procuring services under an open framework will reinforce sustainability in the Leicestershire market. The open Framework mandates reopening to allow new providers on to the Framework and this will ensure that supply can meet demand over the term of the Framework. The Framework is planned to re-open at the end of year 1 and in year 5 of the 8-year term.

By redesigning parts of the Framework (for example the zone boundaries) the Council will be able to demonstrate a more efficient commissioning model.

29. Transitioning to a Banded Model for Education, Health and Care Plan (EHCP) Funding.

The Cabinet considered a report of the Director of Children and Family Services which sought approval to consult with Leicestershire schools on moving to a banded model for assessing needs and determining top-up funding for Education, Health and Care Plans (EHCPs) for children and young people with Special Educational Needs and Disabilities (SEND). The proposed changes to the way in which the Council determines the funding allocated to schools for supporting children and young people with SEND who have an EHCP was detailed. A copy of the report, marked 'Agenda Item 12', is filed with these minutes.

Members agreed that the introduction of a banded model was a step in the right direction and would better reflect the needs of children, without having to necessarily move them out of a mainstream setting.

RESOLVED:

- a) That a consultation exercise on moving to a banded model for top-up funding of EHCPs be approved;
- b) That the delegation of authority to the Director of Children and Family Services, following consultation with the Lead Member for Children and Family Services, be approved to implement a banded model for needs assessments and top-up funding for EHCPs subject to no significant issues/concerns having arisen from the consultation.

REASONS FOR DECISION

Adjustment of the existing top-up funding model for EHCPs will enable educational settings to offer more flexible, creative, meaningful and relevant support options which can be tailored to an individual child's needs or to a groups of children with similar needs. Banding using needs descriptors (specific definitions to identify levels of need) offers a transparent methodology to families, schools and practitioners on support required to help children and young people with an EHCP to meet their educational, health and social care needs and how funding for this support will be allocated.

A consultation with schools on the proposed needs descriptors and banding approach will seek their support for the proposals, and feedback from schools will be used to shape the approach to implementation.

Delegation to the Director to proceed with the new model, subject to there being no significant concerns arising from the consultation, will enable the implementation of a banded model to be expedited and introduced in mainstream educational settings from early in the 2025/26 academic year.

30. Items referred from Overview and Scrutiny.

There were no items referred from Overview and Scrutiny.

31. 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 Paragraphs 1, 3 and 10 of Part 1 of Schedule 12A of the Act and that, in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information:

- Operation of the School Food Service.

32. Operation of the School Food Service.

The Cabinet considered an exempt report of the Director of Corporate Resources which presented the historic and current performance of the School Food Service, as well as its likely future performance. Approval was sought for the Director of Corporate Resources to engage with schools and academies on their requirements from a future operator of the Service and the role that the local authority might play in future procurement. Copies of the report and the supplementary report, both marked 'Agenda Item 16', are filed with these minutes.

RESOLVED:

That the Director of Corporate Resources, following consultation with the Cabinet Lead Member for Resources, be authorised to undertake the actions set out in paragraphs 51 to 53 of the report.

(KEY DECISION)**REASON FOR DECISION**

The School Food Service has been through a challenging period as it has recovered from significant financial losses caused by exceptionally high food and labour inflation and the long term outlook for the service is expected to be challenging.

2.00 - 2.58 pm
15 July 2025

CHAIRMAN