



CABINET - TUESDAY 3 FEBRUARY 2026

ORDER PAPER

ITEM DETAILS

APOLOGIES FOR ABSENCE

None.

1. MINUTES (Pages 3 - 8)

That the minutes of the meeting held on 16 December 2025 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 2026/27 TO 2029/30 (Pages 9 - 12 and Supplementary Report pages 3 - 236)

- *Appendix Q to this report, comments of the Overview and Scrutiny Committees and the Scrutiny Commission, was circulated separately and is attached to this Order Paper, marked "4".*

Proposed motion

That the Cabinet

- (i) Notes the comments of the Overview and Scrutiny Committees and the Scrutiny Commission (Appendix Q to this report);
- (ii) Recommends a Council Tax increase for 2026/27 of 2.99%;
- (iii) Recommends the following to the County Council:
 - (a) That subject to the items below, approval be given to the Medium Term Financial Strategy (MTFS) which incorporates the recommended net revenue budget for 2026/27 totalling £613.4m as set out in Appendices A, B and E of this 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 2027/28, 2028/29 and 2029/30, 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, 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;
- (c) That each Chief Officer, in consultation with the Director of Corporate Resources and following consultation with the relevant Cabinet Lead Member(s), undertake preparatory work as considered appropriate to develop proposals and associated investment required to reduce the financial gap in all four years of the MTFS, to enable the Cabinet, subject to scrutiny processes, to consider a new multi-year transformation programme;
- (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 risk assessment at paragraph 140 and the Director of Corporate Resources assurance statement at paragraph 155 be noted;
- (g) That the recommended Council Tax increase for 2026/27 and the resulting precept be approved;
- (h) That the Chief Executive be authorised to issue the necessary precepts to billing authorities in accordance with (g) 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;
- (i) That approval be given to the 2026/27 to 2029/30 capital programme, totalling £501m, as set out in Appendix F;
- (j) That the Director of Corporate Resources following consultation with the Cabinet Lead Member for Resources be authorised to approve new capital schemes and revenue spend to save schemes, including revenue costs associated with their delivery, shown as future developments in the capital programme, to be funded from funding available;
- (k) That the financial indicators required under the Prudential Code included in Appendix N, Annex 2 be noted and that the following limits be approved:

	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m
Operational boundary for external debt				
i) Borrowing	194	200	225	255
ii) Other long term liabilities	1	1	1	1
TOTAL	195	201	226	256
Authorised limit for external debt				
i) Borrowing	204	210	235	265
ii) Other long term liabilities	1	1	1	1
TOTAL	205	211	236	266

- (l) 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;

- (m) That the following borrowing limits be approved for the period 2026/27 to 2029/30:

- (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 25% of the portfolio.

- (n) 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;
- (o) That the Treasury Management Strategy Statement and the Annual Investment Strategy for 2026/27, 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;
- (p) 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;
- (q) That it be noted that the Leicester and Leicestershire Business Rate Pool has been revoked for 2026/27;

- (r) That the Director of Corporate Resources, following consultation with the Cabinet Lead Member for Resources, be authorised to amend the provisional MTFS in response to changes arising between the Cabinet and County Council meetings, noting that any changes will be reported to the County Council on 18 February 2026;
- (s) That the Leicestershire School Funding Formula is subject to capping and scaling and continues to reflect the National Funding Formula for 2026/27;
- (t) That delegated authority be given to the Director of Children and Family Services, following consultation with the Cabinet Lead Member for Children and Family Services, to agree the funding rates for early years providers for 2026/27.

5. SCHOOL PLACES STRATEGY 2026 TO 2031 (Pages 13 - 104)

Proposed motion

- a) That the outcome of consultation including the comments of the Children and Families Overview and Scrutiny Committee on the draft School Places Strategy 2026-2031 be noted;
- b) That the School Places Strategy 2026-2031 be approved;
- c) That it be noted that a School Places Delivery Plan will be developed to support the implementation of the School Places Strategy.

6. CHILDREN AND FAMILY SERVICES DEPARTMENTAL PLAN 2026-2029 (Pages 105 - 110)

Proposed motion

That the Children and Family Services Departmental Plan 2026 to 2029 be approved.

7. CLIMATE RESILIENCE DELIVERY PLAN (Pages 111 - 170)

- *The Environment, Flooding and Climate Change Overview and Scrutiny Committee considered a report at its meeting on 26 January and a draft minute is attached to this Order Paper, marked "7".*

Proposed motion

- a) That the comments of the Environment, Flooding and Climate Change Overview and Scrutiny Committee be noted;
- b) That the Climate Resilience Delivery Plan be approved.

8. LEICESTER AND LEICESTERSHIRE AUTHORITIES - STATEMENT OF COMMON GROUND RELATING TO HOUSING DISTRIBUTION (Pages 171 - 242)

Proposed motion

- a) That the County Council becomes a signatory to the *Leicester and Leicestershire Authorities - Statement of Common Ground relating to housing distribution following the National Planning Policy Framework and new Standard Method published December 2024 (December 2025)* as set out in Appendix A to the report;
- b) That the completion of associated evidence work on the Updated Housing Distribution Paper, which has informed the Statement of Common Ground, as set out in Appendix B, be noted.

9. ITEMS REFERRED FROM OVERVIEW AND SCRUTINY

None.

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

None.

Officer to contact

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