



Minutes of a meeting of the Cabinet held at County Hall, Glenfield on Tuesday, 3 February 2026.

PRESENT

Mr. D. Harrison CC (in the Chair)

Mr. C. Abbott CC  
Mr. K. Crook CC  
Mr. H. Fowler CC  
Mr. C. Pugsley CC

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

In attendance

Mrs. D. Taylor CC

85. Minutes of the previous meeting.

The minutes of the meeting held on 16 December 2025 were taken as read, confirmed and signed.

86. Urgent items.

There were no urgent items for consideration.

87. 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.

88. Provisional Medium Term Financial Strategy 2026/27 to 2029/30.

The Cabinet considered a report and a supplementary report of the Director of Corporate Resources regarding the proposed Medium Term Financial Strategy 2026/27 to 2029/30 (MTFS), following its consideration by the Overview and Scrutiny bodies and receipt of the provisional Local Government Finance Settlement. Copies of the report and supplementary report, marked "Agenda item 4", are filed with these minutes.

Mr. Fowler CC thanked officers for their work on the MTFS and commented on the complexity of local authority finance and the pressures facing the Council: the proposals sought to reduce the budget gap whilst keeping the Council Tax increase below inflation. He and Mr. Harrison CC referred to the potential savings resulting from the Council's Efficiency Review, the delivery of which would be a priority for the coming year.

RESOLVED:

- (i) That the comments of the Overview and Scrutiny Committees and the Scrutiny Commission (Appendix Q to the report) be noted;
- (ii) That a Council Tax increase for 2026/27 of 2.99% be recommended;

(iii) That the following be recommended 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 the 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<br>£m | 2027/28<br>£m | 2028/29<br>£m | 2029/30<br>£m |
|----------------------------------------|---------------|---------------|---------------|---------------|
| Operational boundary for external debt |               |               |               |               |
| i) Borrowing                           | 194           | 200           | 225           | 255           |
| ii) Other long term liabilities        | 1             | 1             | 1             | 1             |
| <b>TOTAL</b>                           | <b>195</b>    | <b>201</b>    | <b>226</b>    | <b>256</b>    |
| Authorised limit for external debt     |               |               |               |               |
| i) Borrowing                           | 204           | 210           | 235           | 265           |
| ii) Other long term liabilities        | 1             | 1             | 1             | 1             |
| <b>TOTAL</b>                           | <b>205</b>    | <b>211</b>    | <b>236</b>    | <b>266</b>    |

- (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.

(KEY DECISION)

REASONS FOR DECISION:

To enable the County Council to meet its statutory requirements with respect to setting a balanced budget and Council Tax precept for 2026/27, to allow efficient financial administration during 2026/27, and to provide a basis for the planning of services over the next four years.

To enable early work to be undertaken on the development of new savings and the Transformation Programme to address the serious financial position.

Applying capping and scaling to the Leicestershire School Funding Formula for 2026/27 will ensure the cost does not exceed the Schools Block Dedicated Schools Grant whilst continuing to fully reflect the National Funding Formula.

To enable rates to be set for early years providers for 2026/27. The delegation to the Director of Children and Family Services will enable the rates to be set for the providers within the government-prescribed timeline.

89. School Places Strategy 2026 to 2031.

The Cabinet considered a report of the Director of Children and Family Services regarding the outcome of the consultation on the Council's draft School Places Strategy 2026 to 2031 and seeking approval of the final Strategy. A copy of the report, marked 'Agenda Item 5', is filed with these minutes.

Mr. Pugsley CC commended the Strategy, which set out how the Council would meet its duty to ensure a sufficiency of high quality school places in Leicestershire, including via its commissioning role and close partnership working with schools and others.

RESOLVED:

- 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.

(KEY DECISION)

REASONS FOR DECISION:

To note the feedback received from the consultation on the Strategy which has informed the final version.

The School Places Strategy sets out how the Council will meet its statutory duties to ensure that there are sufficient high quality school places in Leicestershire which are in the right place, at the right time. It outlines the background, principles and challenges of delivering school places in the County and how the Council will work with stakeholders to fund and deliver places between 2026 and 2031.

The School Places Delivery Plan will set out how the ambitions detailed in the Strategy will be achieved.

90. Children and Family Services Departmental Plan 2026-2029.

The Cabinet considered a report of the Director of Children and Family Services regarding the Children and Family Services Departmental Plan for 2026 to 2029 which set out the high-level priorities for the Department. A copy of the report, marked 'Agenda Item 6', is filed with these minutes.

Mr. Pugsley CC commended the Plan, noting that it had been informed by feedback from children, young people, and families.

RESOLVED:

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

REASONS FOR DECISION:

The Plan has been developed to fulfil statutory duties and provide a basis for the Children and Family Services' vision, planning, commissioning and delivery of services until 2029. The Plan and associated actions provide a vehicle for Children and Family Services to work together on shared priorities, maximise resources and expertise, and avoid duplication. Service delivery plans will be developed for each service area and progress will be monitored and reported to the Department Management Team on a quarterly basis.

91. Climate Resilience Delivery Plan.

The Cabinet considered a report of the Director of Environment and Transport regarding the Council's Climate Resilience Delivery Plan. A copy of the report, marked "Agenda item 7", is filed with these minutes.

Comments of the Environment, Flooding and Climate Change Overview and Scrutiny Committee, which had considered the Delivery Plan at its meeting on 26 January, were circulated separately and are also filed with these minutes.

Mr. Tilbury CC noted that the Delivery Plan reflected the change in focus previously agreed by the Cabinet from carbon reduction to climate adaptation, such as flooding mitigation.

RESOLVED:

- 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.

REASONS FOR DECISION:

The Delivery Plan (previously the Net Zero Action Plans) has been produced in accordance with the Cabinet's decision from July 2025 to change the focus of activities from carbon reduction to climate adaptation and respond to severe weather events and projects that deliver financial savings or additional social, economic or environmental benefits.

The Delivery Plan includes actions reflecting the programme of flood mitigation and climate adaptation and resilience, as agreed by the Cabinet in October 2025.

92. Leicester and Leicestershire Authorities - Statement of Common Ground relating to Housing Distribution.

The Cabinet considered a report of the Director of Environment and Transport regarding a Statement of Common Ground (SoCG) produced by the Leicester and Leicestershire local authorities relating to housing distribution and seeking approval for the Council to become a signatory.

Mr. Harrison CC noted that the SoCG represented a pragmatic approach and would help the local authorities in Leicester and Leicestershire to work together and strategically to achieve sustainable growth for their communities.

RESOLVED:

- 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 informed the above Statement of Common Ground, as set out in Appendix B, be noted.

REASONS FOR DECISION:

On 27 November 2025, the Government confirmed that the Duty to Co-operate will not be retained under the current plan making system and will cease to apply when new plan making regulations come into force (expected later in 2026). Notwithstanding this change, the National Planning Policy Framework (December 2024) requires "maintaining effective co-operation" across administrative boundaries. Planning Inspectors are expected to continue to examine plans in line with these policies. In this context, SoCGs

remain an appropriate method to document cross-boundary strategic matters, record areas of agreement and disagreement, and set out next steps, demonstrating that effective and ongoing joint working has taken place. This is particularly important for the County Council due to its responsibilities for highway and education matters, given the scale and criticality of infrastructure dependencies.

The SoCG has been prepared jointly by the nine local authorities in Leicester and Leicestershire. It will directly support Blaby District Council, Hinckley and Bosworth Borough Council, North West Leicestershire District Council and Oadby and Wigston Borough Council in the submission of their respective Local Plans to the Planning Inspectorate before the end of December 2026.

93. Items referred from Overview and Scrutiny.

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

2.00 - 2.31 pm  
3 February 2026

CHAIRMAN

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