

COUNTY COUNCIL MEETING – 26 SEPTEMBER 2012

POSITION STATEMENT BY THE LEADER OF THE COUNCIL

I would like to thank the Council for appointing me as Leader.

Let me start by reiterating some important points I made at the Annual Meeting of the Council. I am determined that under my leadership, we will collectively – members and officers – repair the damage to working relationships and the County Council's reputation brought about by events surrounding the former Leader. It is vital that the Council moves on, and I will need the help of all members and the Council's staff in that task.

Secondly, I gave an assurance that the Conservative Group will ensure that due process is followed and everything is cleared up in regard to the complaints and allegations against the former Leader. That remains the case but, since investigations are on-going, I would not want to say any more at this stage.

I will now turn to some good news, which should be welcomed by everyone inside and outside the Council Chamber – evidence that the County Council continues to serve the people of Leicestershire well and that we have much to build on for the future.

Local Authority Mortgage Scheme

The County Council is providing £10million to Lloyds TSB Bank to offer affordable mortgages to first time buyers through the 'Lend a Hand Scheme'. Under this scheme first time buyers are able to obtain a mortgage with a 5% deposit. We all know that first time buyers are struggling, so it makes sense to lend the bank some of our reserves, to help them get on the property ladder. We have estimated that some 400 first time buyers will benefit from the scheme and that in turn should result in a further 2,000 house moves, by freeing up houses for rent as more people buy their own homes. This not only helps people into homes but also boosts the economy.

New Homes Bonus

Continuing on the housing theme, one of the County Council's priority outcomes is to increase the availability of affordable, well designed rural housing for rent or shared ownership in villages, so families and young people are not forced to move out by high prices.

Local housing associations have put together schemes but have been unable to proceed as there are "funding gaps" in their proposals. The County Council and District Councils have been helping fill these gaps. Thanks to an investment of £1 million, £7 million worth of affordable housing will be built. In the current financial year we will support the development of 41 new affordable homes. This, together with the 19 homes supported in 2011/12, will mean that 60 new affordable homes will have been delivered in Leicestershire.

Debt Repayment

I am please to report that through good and prudent management of the Council's financial resources it has been possible to repay £10.3 million of the Council's debt. As a result of this our capital financing requirement and the need to borrow externally has been reduced and this will generate an on-going revenue saving of £0.8million.

Ashmount Special School

Members will be aware of proposals to replace the existing Ashmount Special School on a new site on the campus of Charnwood College (formerly Garendon High School and Burleigh College) at a cost of £9.35million.

The County Council has now been advised that the Secretary of State, having considered the objections from Sport England, has decided not to call in the application. I was very pleased to hear this.

We have now submitted an application for change of use and a response is expected by the end of October. A ground lease is currently under preparation between the County Council and Charnwood College and again it is expected that this will be finalised in October.

A meeting with the contractors is due to be held on site in the next three weeks and subject to everything being in place, a start can hopefully be made on site in November. The proposed completion date for the new school is Spring 2014.

Cycling and Walking

The County Council's has adopted a new approach to the delivery of cycling and walking improvements focusing on areas where a programme of improvements will complete cycling and walking networks and deliver changes in travel behaviour.

The implementation plan for the third Local Transport Plan initially focuses on delivery of improvements in the Loughborough and Coalville areas as this is where our evidence shows that improvements are most needed and will influence how people make travel choices.

The Government recognised the importance of this approach and awarded the County Council £4m of additional funding through the Local Sustainable Transport Fund to accelerate delivery, in part, of cycling and walking improvements in the Loughborough and Coalville areas over the next 3 years to March 2015.

The Council is now looking at evidence to consider the next area for delivery, after Loughborough and Coalville, and early analysis shows that Hinckley is likely to be the next area where this approach will deliver further benefits.

Rural Broadband

In this case, the good news is tempered with a qualification.

Members will be aware that the County Council is responsible for contracting with a supplier to provide high speed broadband to 90% of Leicestershire premises. BT is currently rolling out high speed broadband on a commercial basis to about 70% of the County. The remaining 30% will be the most rural parts of Leicestershire which will receive improved services through a contract negotiated by the County Council under a Government framework.

The County Council has allocated funding to match the funding to be provided by Government and by the supplier. District Councils are also considering funding and Melton Borough Council has already made a commitment. Leicestershire is therefore ready to begin the contracting process.

The Government had indicated that Leicestershire's contract negotiations could start in November which would have enabled implementation to begin in Spring 2013. Unfortunately the EU has yet to give approval for the Government's broadband programme under state aid regulations and the suppliers on the Government framework contract (BT and Fujitsu) have indicated they want a longer time period for negotiation. Leicestershire's slot is therefore likely to slip back until Spring 2013, meaning a start on the ground will be delayed until at least the Summer of 2013.

At this stage a separate procurement process would not realise an earlier start which can only be achieved if the Government is able to speed up the contracting process. I will be pressing for that and I hope other members will want to support that through their own channels and contacts.

Finally, let me conclude by confirming that, as an indication of how I wish to do business and to work in a positive and constructive way across the Council, I will be reinstating the tradition of regular Group Leader meetings.

N. J. Rushton