



Leicester
City Council

Minutes of the Meeting of the
CABINET

Held: MONDAY, 15 FEBRUARY 2010 at 1:00 pm

P R E S E N T:

Councillor Willmott - Chair
Councillor Dempster - Vice-Chair

Councillor Connelly	Councillor Dawood
Councillor Dempster	Councillor Kitterick
Councillor Osman	Councillor Palmer
Councillor Patel	Councillor Russell
Councillor Westley	Councillor Willmott

ALSO IN ATTENDANCE

Councillor Grant	Conservative Group Leader
Councillor Hall	Regeneration and Transport Task Group Leader
Councillor Newcombe	Culture and Leisure Task Group Leader

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161. APOLOGIES FOR ABSENCE

No apologies for absence were received.

162. DECLARATIONS OF INTEREST

Members were asked to declare any interests in the business on the agenda and/or declare if Section 106 of the Local Government Finance Act 1992 applied to them.

Councillor Westley declared a personal interest in Item 11, General Fund Revenue Budget Strategy, as a relative worked for City Cleansing.

For clarification, Councillor Kitterick declared that he was a Council-appointed member of the Board of Prospect Leicestershire. It was noted that this was not a personal or prejudicial interest.

For the avoidance of doubt, Councillor Dawood declared, with regard to Item 11, General Fund Revenue Budget Strategy, that he was an employee of Connexions.

163. MINUTES OF PREVIOUS MEETING

RESOLVED:

that the minutes of meeting of Cabinet, held on 25 January 2010, be confirmed as a correct record.

164. MATTERS REFERRED FROM COMMITTEES

Meeting of the Audit Committee, 3 February 2010. ANNUAL AUDIT LETTER 2008/09

The above Committee agreed that Cabinet be asked to ensure that Recommendation 1 in the report was met and that sufficient resources be allocated to implement International Financial Reporting Standards (IFRS) with progress monitored against the project plan.

Councillor Willmott stated that officers were confident that the authority would comply with statutory reporting requirements in 2010/11.

RESOLVED:

that Cabinet's comment above be reported back to the Audit Committee.

165. REPORT OF THE JOINT CULTURE & LEISURE AND REGENERATION & TRANSPORT SCRUTINY TASK GROUPS - THE FUTURE OF LEICESTER MARKET

Councillor Hall and Councillor Newcombe submitted a report of the Joint Culture and Leisure and Regeneration and Transport Scrutiny Task Groups. The report presented the findings of the Task Groups' review of the performance of and future prospects for the city centre markets in Leicester.

Councillors Hall and Newcombe explained the process followed in preparing the recommendations, highlighting that the work aligned with the One Leicester priorities and had identified how to tackle issues with both the indoor and outdoor market. The findings concluded that significant investment and long term planning would be necessary, and the cultural, historic, community cohesion and social context of the market should be recognised. They thanked the previous chairs of the task groups, and all officers, Members, market traders and public who had contributed to the report.

Councillors Hall and Newcombe acknowledged the comments of the Overview and Scrutiny Management Board, regarding provision for the current indoor

stalls, noting that further work was required. They also clarified a point made in the Leicester Mercury regarding customer service training for traders, stating that this recommendation came initially from the traders' representatives themselves. It was pointed out that the purpose of the recommendations was to strengthen the market, not undermine it.

Councillor Russell, as Cabinet Lead, welcomed the work done, and she stated that the market was important to the city and its retail circuit. Opportunities for new businesses were being considered, particularly with food development. The need for significant investment was noted, and bids had been made for funding to address issues of waste and pre-business support. A comment in the report, was challenged, in that footfall and trade had significantly increased since the opening of Highcross. It was felt that any long term plans should be considered carefully. Members also welcomed the work done and the applications for funding. It was stated that, although capital funds were currently limited, it was hoped that a future Cabinet could allocate these in the future in order for the recommendations to be addressed.

Councillor Grant stated that the Conservative Group Members fully endorsed the report, noting it as an exemplary work of scrutiny. He stressed the need for provision for the indoor food stalls. He also asked for clarification whether specialist markets were affected by the granting of a licence for a Sunday Market at the Football Club. He was assured that they would not be affected.

RESOLVED:

that Cabinet notes the recommendations in the Joint Task Group report.

166. TRANSFER OF STATUTORY RESPONSIBILITY OF THE SOCIAL WORK FUNCTION FROM LEICESTERSHIRE AND RUTLAND TO LEICESTER CITY

Councillor Dempster submitted a report that sought approval for the Transfer of Statutory Responsibility of the Social Work function from Leicestershire and Rutland to Leicester City in respect of the 'Emergency Duty Social Work' service.

RESOLVED:

that Cabinet:

- 1) approves the Transfer of Statutory Responsibility of the Social Work Function from Leicestershire and Rutland in respect of the Emergency Social Work Service;
- 2) notes and agrees that this takes effect upon the transfer of County Social Work staff to Leicester City and the agreement to and signing of a Service Level Agreement between all parties governing the form and function of the service, governance arrangements and legal and financial issues;

- 3) that Cabinet recommends to Council that it notes and approves the resolutions of Cabinet as identified above.

167. LOCAL DEVELOPMENT SCHEME 2010-2013

Councillor Kitterick submitted a report that sought Cabinet's approval for revisions to the Council's Local Development Scheme and to set a date for adoption of the Revised Local Development Scheme.

In response to a comment made at the Overview & Scrutiny Management Board, Councillor Kitterick reported that details of members of Prospect Leicestershire and their interests were publicly available.

RESOLVED:

That Cabinet agrees:

- 1) the programme for preparation of local development documents as set out in the Draft Local Development Scheme;
- 2) that the Local Development Scheme be submitted to the Secretary of State (Government Office for the East Midlands (GOEM)) for approval;
- 3) that The Local Development Scheme will take effect on 22nd March 2010, subject to approval by the Secretary of State; and
- 4) that delegated authority is given to the Strategic Director, Development Culture and Regeneration in consultation with Cabinet Lead for Regeneration and Transport to make minor changes to the Local Development Scheme that may arise following submission to the Secretary of State.

168. CORPORATE CAPITAL PROGRAMME 2009/10 LOCAL ENVIRONMENTAL WORKS (LEW) AND BRIDGE REFURBISHMENT PROGRAMMES

Councillor Kitterick submitted a report that sought approval of work items for the 2009/10 Local Environmental Works (LEW) and Bridge Refurbishment programmes.

Councillor Kitterick pointed out that these were works that would have a positive impact on communities. He highlighted the benefits particularly of Northfields garages work and Stephenson Drive improvements. Access issues for Bramall Court were also highlighted by Members as an issue that would have significant benefit.

RESOLVED:

that Cabinet:

- 1) approves the 2009/10 LEW programme of £250,000 as detailed in Appendix 1 of the report and carry forward £150,000 and £384,000 for the LEW and Bridge Refurbishment programmes to 2010/11 respectively;
- 2) approves that the LEW and Bridge Refurbishment programmes may be varied by the Director of Regeneration, Highways & Transportation in agreement with the Cabinet Lead Member for Regeneration, Highways & Transportation.

169. WATERCOURSE MAINTENANCE AND IMPROVEMENT - CAPITAL PROGRAMME FOR 2009/2010

Councillor Kitterick submitted a report that sought Cabinet's approval to spend the 2009/10 Watercourse Improvement budgets.

RESOLVED:

that Cabinet approves the expenditure of the 2009/2010 Watercourse Maintenance and Improvement budget.

170. GENERAL FUND REVENUE BUDGET STRATEGY 2010/11 TO 2012/13

Councillor Patel submitted a report that requested Cabinet approval for a 3 year corporate budget strategy, commissioning strategies for each priority board, and a general fund budget for 2010/11.

Councillor Patel reported on amendments and areas of further growth that had been added in response to comments made during the consultation process, and asked Members to approve the recommendations as amended. He also pointed out that the strategy allowed for a low Council Tax increase and delivered on key aims of the Labour Group manifesto.

He noted that as part of the consultation process, overall, response to the proposals had been positive. Broad support had been received from the schools' forum and from NHS Leicester, and the proposals from NHS Leicester to work closely with them to align work on delivering efficiencies as much as possible was accepted. The Chief Finance Officer was to meet with his counter-part at the NHS to pursue this further.

Councillor Patel also stated that public comments emphasised anti-social behaviour as an issue, and how partnership working was necessary; it was actively being looked at by the LSP and the restructuring of the Community Safety Partnership would support improvement. Work was underway to share data and intelligence better. He felt that budgeted growth for youth in general and Myplace in particular would be very positive. Work was also being done on new approaches and investment on outer estates to better prevent problems through supporting neighbourhoods.

Councillor Patel noted that a number of consultees had commented about the significant efficiency plan in the budget. Views made on controlling consultancy

costs were endorsed and mechanisms were in place to give more oversight of this expenditure. He also noted concerns raised by Unison and he would write to them with a full response. He stated that he was pleased with the way the new process had worked as a whole, but agreed to consider consultees' comments about the style of the new commissioning statements in time for next year's budget process.

Particular issues raised during the scrutiny process were discussed by relevant Cabinet Leads. Councillor Kitterick pointed out that concerns about bus fares were out of the control of the Council. Councillor Palmer raised concerns about current debate regarding free personal care being used for political purposes rather than being considered in the best interests of vulnerable people.

Councillor Grant queried the rationale of a 1.94% Council Tax increase followed by a proposed 2.94% increase, and expressed concern regarding the approach to risk management and efficiencies, stating that the considerable challenge in year three presented a risk. With regard to the Council Tax increase, it was reported that the low increase in 2010/11 was due to the current economic climate and level of inflation. Future years' tax proposals were indicative only. The third year efficiencies were part of the three year planning in order for these to be built in up to that period.

RESOLVED:

that Cabinet, having considered the draft 3 year financial strategy for 2010/11 to 2012/13, the draft commissioning statements prepared by each strategic director, and the draft overall budget for 2010/11 as described in the report:

- 1) asks the Chief Finance Officer to prepare a formal budget and council tax resolution, and consequent prudential indicators, for Council approval;
- 2) thanks scrutiny committees and other consultees for their comments, and after taking note of these to agree that the budget proposals in this report be submitted to Council subject to the amendments listed in the table below; and to ask the Chief Finance Officer to prepare a formal budget and council tax resolution, and consequential prudential indicators, for Council approval;

**Proposed Budget
Amendments**

	<u>2010/11</u> £000	<u>2011/12</u> £000	<u>2012/13</u> £000
<u>Investment in Communities</u>	200		
Additional one-off funding			
This will enable investment in			

community facilities
 additional to the £0.5m proposed in
 the draft budget

Park Improvements 140

This will enable additional investment
 in parks,
 over and above the £30,000
 included in the draft
 budget. A report will be sought into
 the feasibility
 of resurfacing Watermead Car Park,
 following
 representations by the ward
 community meeting

Environment/Cleaner
 City 10

Web based reporting of litter, fly-
 tipping and graffiti

Planning
 advertisements 30 30 30

Government policy
 change means
 newspaper advertising
 will still be required

Rationalising Museum
 Learning Services 10 45 45

Reconsideration following
 consultation responses
 received from the Arts Council; and
 Museums,
 Libraries and Archives Council.
 Unison also
 expressed concerns
 about the reduction

Neighbourhood
 Management 111 111

Maintain current neighbourhood
 management
 arrangements in New
 Parks/Saffron for a
 further two years, in recognition of
 local support.
 After two years, the Council's overall
 approach to
 neighbourhood management will be
 embedded.

Regeneration 100 100

Additional Investment in Prospect
 Leicestershire to
 attract inward
 investment

County contribution also sought. This is a response to the recession, and will be favoured by the business community

Total	<u>601</u>	<u>286</u>	<u>75</u>
<u>Budget bottom line</u>			
Surplus/(Gap) in report	(1,731)	334	(5,597)
Revised	(2,332)	48	(5,672)
Leaving reserves of	<u>6,169</u>		

- 3) recommends to the Council that the approved budget shall form part of the policy and budget framework of the Council, and that future amendments shall require the approval of full Council, subject to the following:
 - the Cabinet may authorise the addition, deletion or virement of sums within the budget up to a maximum amount of £2m (either one-off or per annum) for a single purpose;
 - the Cabinet may determine the use of £3m pa held for the central accommodation review;
 - the Cabinet may determine the use of corporate budget provisions and monies held for job evaluation;
- 4) recommends to Council that the Chief Finance Officer be authorised to calculate and give effect to the following budget adjustments, for which provision is presently held corporately:
 - savings arising from the ODI transformation plan;
- 5) notes the proposals in respect of HR policies at section 7 of this report, and the intention to save £1m over and above the 2010/11 budget through managed reductions in working hours and restricted recruitment;
- 6) requests PVFM Select Committee to monitor achievement of the £1m savings described above;
- 7) to recommend to Council that no inflationary uplift be provided to third parties, except where:
 - contractual terms provide otherwise;
 - in the view of the relevant divisional director, an uplift is required to stabilise a fragile market;
- 8) approves an increase of £60,000 in the 2009/10 budget to fund costs of the proposed pensioners' passport, to be met

from reserves;

- 9) approves the creation of an earmarked reserve for potential redundancies arising from later phases of the Organisational Development and Improvement Programme, and the transfer of £1m from corporate reserves to this reserve;
- 10) approves the transfer of £1.5m from the insurance fund to general reserves, this sum being no longer required to meet future insurance liabilities;
- 11) approves, and recommends Council to approve, the treasury strategy included as Appendix 6 and the investment strategy included at Appendix 7 to this report;
- 12) requests Council to delegate authority to the Chief Finance Officer to vary components within the Council's overall borrowing limit (the "authorised limit") which relate to borrowing and other forms of finance;
- 13) recommends that Council approves the proposed policy on minimum revenue provision described in section 22 of the report;
- 14) recommends that Council approves the controllable budget lines at Appendix 8 to this report, being sub-divisions of the budget to which the Council's virement rules apply (ie discretion to move funds between budget lines is limited).

171. BLACK WORKERS GROUP REPORT 2009: PROGRESS ON IMPROVING BME WORKFORCE REPRESENTATION

Councillor Patel submitted a report that presented progress on improving the Black and Minority Ethnic (BME) workforce representation at all levels in Leicester City Council.

Councillor Patel thanked officers and the Chief Executive for the work done on the issue. Councillor Grant queried staff consultation processes, and the lack of comparative data, particularly with regard to feedback from interviews. He also queried the approach to appoint head hunters for high level jobs, stating that he felt that talent should be developed within current employees. In response, it was reported that the initiatives would take time to deliver, and head hunting was implemented to address issues sooner, although this had not been as successful as anticipated. It was also reported that various specific staff surveys had been carried out recently and were being collated for use in performance management. Results were also awaited for the Times Best Company Survey.

RESOLVED:
that Cabinet:

- 1) notes the prevailing BME staff profile of the Council and the current BME population profile of Leicester;
- 2) notes the perceptions of Black Workers identified through the BWG Staff Survey, 2009;
- 3) acknowledges the need for us to stretch our ambitions for a representative workforce if we are to close the gap between the BME population of Leicester and the BME workforce profile;
- 4) acknowledges the progress made to date on the 'Quick Wins' approved by Cabinet in 2008 and in this respect provide continued support to BWGs to progress the revised and strengthened actions referred to in Appendices 1 & 2;
- 5) tasks the ODI/PMA Group with investigating the adverse outcomes for BME staff and applicants; using the EIA process to establish the reasons for the adverse outcomes when compared with other groups with an action plan to address the findings;
- 6) tasks the ODI/IPM Group to work with Black Worker Groups to consider options for mainstreaming employment equality into the Council's key performance management systems so that employment equality objectives sit with the core Council business;
- 7) tasks the ODI/IPM Group to work with the joint Black Workers Groups to progress the recommendations set out in Appendices 1 & 2.
- 8) approves BWG representation on the IPM Group.
- 9) acknowledges that BME school based staff were not included in the 2009 BME staff survey, conducted by the BWG, due to the timing of the survey this year falling outside of school term time;
- 10) supports school head teachers to facilitate the inclusion of BME school based staff in all future BME staff surveys, commencing with an extension to the 2009 survey, to provide a fuller corporate picture of the BME workforce perceptions. The results of these to be reported to Cabinet in the next six monthly progress report.

172. LOCAL AREA AGREEMENT -ANNUAL REFRESH 2009/10

Councillor Willmott submitted a report that presented the latest position on the

second annual refresh of the Local Area Agreement (2008/11.)

RESOLVED:

that Cabinet agrees to the proposed revisions to NI 152 and NI 167 in Leicester's Local Area Agreement, as set out in section 4.12 and 4.14 of the report.

173. STATE OF THE CITY REPORT 2009

Councillor Willmott submitted a report that described the progress made on delivering *One Leicester* during its first full year.

He stated that this satisfied an undertaking made at the launch of One Leicester. It had been a slow process due to the complicated task to collate the mass of data. He hoped that it would increase accountability of the Council and partners and inform future budget processes and strategies. Further discussion would be possible at Council. He thanked officers who had been involved in the report's preparation.

RESOLVED:

that Cabinet **endorses the State of the City report 2009.**

174. LEICESTER CITY COUNCIL'S CORPORATE PLAN 2010/11 - 2012/13

Councillor Willmott submitted a report that presented the Council's Corporate Plan for the years 2010/11 – 2012/13, which brought together the Council's approach to delivering *One Leicester* for that period.

Councillor Willmott urged all Council Members to take the report on board as a powerful driver for improvement. He thanked officers and colleagues for the work they had done.

Councillor Grant stated that he understood the importance of the document, and was, therefore concerned that there had been no opportunity for scrutiny since the initial stages, and it had not appeared on the Forward Plan to enable the option of scrutiny prior to this meeting. He felt, therefore, that non-Executive Members had not had opportunity to comment. He recommended that consideration of the report by Cabinet be delayed until the Overview & Scrutiny Management Board (OSMB) had the opportunity to scrutinise it.

Councillor Willmott responded that it was unnecessary to delay the report's consideration, as it was important to start using the document. He dismissed the assumption that scrutiny were not involved, as their comments were written into the report. He would welcome Councillor Grant's comments at this meeting. He stated that if necessary, issues of the Forward Plan would be addressed. Following a suggestion that a special meeting of OSMB could be held prior to Council, Councillor Willmott agreed that he would be happy to attend such a meeting to explain the report. It was pointed out that this was a 'living document' and there would be opportunity to make amendments. Several aspects of it had been scrutinised by the Performance & Value for

Money Scrutiny Committee. Councillor Grant reserved his comments on the document for consideration by OSMB as the appropriate method of scrutiny.

RESOLVED:

that Cabinet **agrees the corporate plan 2010/11-2012/13.**

175. ANY OTHER URGENT BUSINESS

OUTLINE BUSINESS CASE - BUILDING SCHOOLS FOR THE FUTURE (BSF)

The Leader agreed to take the above item on the grounds of urgency under Cabinet Procedure Rule 7d as a decision was required by Cabinet by the end of February 2010 in order to allow submission of an 'approved' Outline Business Case to Partnerships for Schools (the Government body responsible for delivering the BSF Programme). This enabled the Council to secure the remaining funding for Leicester's BSF programme and proceed with implementation without delay.

Councillor Dempster submitted a report that set out to present to Members a synopsis of the BSF Programme, the long-term financial implications of the programme as a whole and the detailed financial and design plans for the Rushey Mead School project.

Councillor Dempster stated that she was proud that Cabinet supported the expansion of the project to include special schools and behaviour support, as this meant that all young people would benefit from the improvements. She noted that the Children & Young People Scrutiny Committee agreed with the recommendations and supported Option C in the report.

RESOLVED:

that Cabinet:

- 1) approves the Outline Business Case with Option C: the preferred model, on the basis of revenue affordability to schools and the Council. This model proposes that the two voluntary-aided schools continue their existing facilities management and lifecycle arrangements through the Diocese and special schools and PRUs continue with the existing arrangements provided by themselves and the Council. Consultation with schools and the Diocese have begun and there are currently no contra-indications to this model;
- 2) notes the intention to provide flexible access for communities to facilities in schools and the use of 'zoning' of the school buildings to provide a more cost-effective and environmentally sustainable solution to community use of these public buildings;
- 3) authorises the Strategic Director - Children, in consultation

with the Cabinet Lead, to take such decisions as she thinks fit to implement the programme (subject to the limitations noted below);

- 4) requests a further report confirming the approval of PfS or outlining any significant changes to the programme as a consequence of negotiation;
- 5) authorises the Strategic Director, Children, in consultation with the Cabinet Member, Children and Schools, to adjust the allocations for each school, as necessary, in order to match funding with cost as each scheme is developed, noting that final approval will rest with Cabinet as each Financial Close is brought to Cabinet for approval;
- 6) pursuant to (c) above, notes the expenditure required to progress the project until the end of April 2010 as set out in Appendix 2. This amounts to a total of £4.6m, of which £1m would be funded from the TLE budget and £3.6m recoverable from PfS once new projects are approved;
- 7) authorises the Chief Finance Officer to sign the appropriate Section 151 Officer letter of support, drafted in accordance with PfS and CIPFA guidance and which is ancillary to the implementation of the BSF Programme and projects as approved. (An outline of the letter is attached at Appendix 3 of the report). Note that this will commit the Council to deliver its transformational vision and make every endeavour to bridge the affordability gap; and
- 8) approves the use of future receipts from land sales at specified schools to support the programme as discussed in the OBC.

Note: In relation to recommendation c) above:

- i) the Director's authority shall not include authority to proceed with any project or related matter which is subject to significant change as a result of the negotiations and approvals of PfS as detailed in this report;
- ii) the Director's authority shall not extend to authorising financial close and / or any early works agreements;
- iii) the Director's decisions will generally relate to those routine matters required to maintain progress on the programme such as the issue of new project requests and Stage 1 approvals;
- iv) before issuing any Stage 1 approval, the project proposals will be presented to Cabinet Members and local ward councillors.

176. CLOSE OF MEETING

The meeting closed at 2.07pm.

