



Leicester
City Council

Minutes of the Special Meeting of the
CABINET

Held: TUESDAY, 29 MARCH 2005 at 5.00pm

P R E S E N T :

Councillor Willmott - Chair
Councillor Draycott - Vice-Chair

Councillor Connelly
Councillor Corral
Councillor Waddington
Councillor Getliffe
Councillor Kitterick

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203. DECLARATIONS OF INTEREST

Members were requested to declare any interests they may have in the business to be discussed and/or indicate that Section 106 of the Local Government Finance Act 1992 applied to them.

No declarations were made.

204. CORPORATE CAPITAL PROGRAMME 2005/06 to 2007/08

Councillor Draycott submitted a report proposing a corporate capital programme for 2005/06 to 2007/08 based on the Council's Capital Strategy. It was noted that the Resources and Equal Opportunities Scrutiny Committee had considered the programme and had no comments to make.

It was reported that the proposals from Departments had been prioritised to produce the programme. In addition, the programme included some reserve schemes which depended on other sources of funding being made available. Account had also been taken of the prudential framework and 3 schemes were being funded in this way; Centrally Located Administrative Buildings, regeneration schemes and a contribution to the Performing Arts Centre. In addition to this programme there were also separate programmes for Housing, Transport and Education.

Further to the recommendations in the report, Councillor Draycott recommended that the Glenfield Tunnel Scheme be moved from Block A to Block B (ie. to schemes requiring further approval from Cabinet) and that the Kickabout areas and astroturf pitches schemes move from the reserve schemes to Block B.

RESOLVED:

- (1) to note that the Resources and Equal Opportunities Scrutiny Committee did not comment on the proposed programme;
- (2) that the capital programme shown at Appendix B to the report be recommended to Council, subject to the following changes:
 - a) the Glenfield tunnel scheme moving from block A to block B to give Cabinet the opportunity to consider in detail the scheme and the need for the spending before any funding is committed;
 - b) the kickabout areas and replacement astroturf pitches schemes moving from block C to block B;
 - c) feasibility studies money held in reserve to be available for pump priming regeneration initiatives as well as office and depot reviews;
- (3) that the following status of the schemes as detailed in Appendix B to the report, be recommended to Council:
 - (a) block A, being schemes which can proceed once the programme is approved, subject to compliance with Finance Procedure Rules;
 - (b) block B, being schemes which can proceed subject to a further approval by Cabinet with regard to the detailed implementation of the scheme;
 - (c) block C, being schemes which can proceed subject to a further approval by Cabinet with regard to the detailed implementation of the scheme, and subject to additional funding becoming available.
- (4) to note the proposed revisions to Finance Procedure Rules attached as Appendix D to the report, which are being submitted to the Council for approval under cover of a separate report.
- (5) that the following be designated as service resources for the purposes of this programme (being resources which fall outside the scope of the corporate programme):
 - housing capital receipts;
 - housing, education and transport elements of the Single Capital Pot;
 - profits made by the Housing Maintenance DSO;
 - any supported capital expenditure allocations awarded by central government for specific purposes;
 - third party contributions;

departmental revenue contributions.

- (6) that in connection with the revised Finance Procedure Rules:
 - (a) a lower decision limit of £250,000 be approved, being the limit above which directors need to seek Cabinet approval for changes to the capital programme which would otherwise be delegated to them (principally changes funded by service resources and spend to save schemes);
 - (b) that the Council be recommended to approve a higher decision limit of £1m, being the amount below which the Cabinet can make changes to the programme, provided the revenue impact can be met from other budgets within the Cabinet's approved virement limit;
- (7) to note that the above limits apply to the capital programme as a whole, not just the corporate capital programme but without prejudice to any decisions the Council takes about the transport capital programme;
- (8) that Council be recommended to determine that the Integrated Transport and Decent Homes Standards groups of capital schemes are deemed to be capital programme areas within which corporate directors are permitted to reallocate resources on grounds of operational efficiency;
- (9) that officers be requested to ensure that those schemes requiring further approval (ie. those in Block B) be submitted to Cabinet before the end of June; and
- (10) to note proposed revisions to spend to save rules as outlined in paragraph 8.3 of the report, and incorporated into the Finance Procedures Rules in Appendix C.

205. FRAMEWORK FOR TREASURY DECISIONS

Councillor Draycott submitted a report proposing changes to the decision making framework for the Council's treasury management activities to reflect the 'prudential' system of capital finance effective from 2004/2005 and revised Government regulations.

RESOLVED:

- (1) that Council be recommended to approve the revised Treasury Policy included in the supporting information; and
- (2) that the continued delegation to the Chief Finance Officer of the matters referred to in the Treasury Policy, be approved.

206. TREASURY STRATEGY 2005/2006

Councillor Draycott submitted a report recommending a Treasury Strategy for 2005/06.

RESOLVED:

- (1) that the Treasury Strategy 2005/06 be approved; and
- (2) that the Council be recommended to approve the Strategy in respect of borrowing, investment, use of fund managers and consultants, leasing, debt rescheduling and repayment, as described in the supporting information to the report.

207. CLOSE OF MEETING

The meeting ended at 5.11 pm