



Leicester  
City Council

Minutes of the Meeting of the  
CABINET

Held: MONDAY, 15 JANUARY 2007 at 5.00pm

P R E S E N T :

Councillor R Blackmore - Chair  
Councillor Scuplak - Vice-Chair

Councillor Coley  
Councillor Gill  
Councillor Grant

Councillor Mugglestone  
Councillor Sandringham  
Councillor Smith

Councillor Suleman

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**156. APOLOGIES FOR ABSENCE**

Apologies for lateness were received from Councillor Grant.

**157. DECLARATIONS OF INTEREST**

Councillor Smith declared a personal interest in Appendix D, 'Housing Revenue Account – Budget 2007/08' and Appendix E, 'Housing Capital Programme 2006/07 and 2007/10' as he was a Council tenant.

Councillor Sandringham declared a personal and prejudicial interest in Appendix P, 'Leicester City PCT – Financial Plan'. Councillor Sandringham left the meeting during discussion of this item.

**158. LEADER'S ANNOUNCEMENTS**

Appointment of Conservative Group Leader

The Leader announced that Councillor Mugglestone had recently been appointed the leader of the Conservative Group. He wished him good luck in his new position.

Stand – Up, Speak – Out Calendar

The Leader referred to a calendar produced by the Children and Young People's Department called 'Stand-Up, Speak-Out'.

## 2012 London Olympics

The Leader informed the Cabinet that Loughborough University's sports facilities had been short listed as a potential training base to host the British Olympic team during the build up to 2012, and wished them good luck.

He also stated that the staging of the Games in London would have enormous sporting and cultural benefits for Leicester, in terms of improving all-round participation in all sports, help tackle sedentary lifestyles and rising childhood obesity levels, and also generate a source of local pride and feel good factor across all communities. He also saw it as a fantastic opportunity to raise the global profile of the city's outstanding reputation for its diversity and friendliness.

He reported that Leicester city was also busy putting an application together to host other countries' teams in the build-up to the Games which would be submitted before the deadline at the end of this month, and hoped to report more good news soon.

### **159. MINUTES OF PREVIOUS MEETING**

Councillor Blackmore reported that in relation to Minute 141, 'Highfields Centre', additional words should be added to the end of resolution 6. The resolution currently printed read 'that Maureen Milgram Forrest, Chair of the LSC, chair the steering committee in the initial months'.

The following needed to be added; 'and that this should then pass to the Highfields Community Association'.

#### **RESOLVED:**

That the minutes of the meeting held on 11 December 2006, having been circulated to Members, be taken as read and signed by the Chair as a correct record, subject to the above amendment.

### **160. MATTERS REFERRED FROM COMMITTEES**

- (a) Environment and Culture Scrutiny Committee - 6 December 2006

#### City Cleansing

The above Committee agreed as follows:

- "(1) That Cabinet be requested to allocate extra funds towards additional street cleansing to accommodate the extra pressure from changes in shopping habits, the development of the City Centre Cultural Quarter and the Shires extension and towards the Sunday service within the budget allocation 2007/2008'.
- (2) that Cabinet be requested to extend the boundary of the City

Centre Cleansing team to include the Cultural Quarter and to allocate funds accordingly”

Councillor Mugglestone responded to the recommendations of the Environment and Culture Scrutiny Committee. He thanked the Committee for their comments and reported that additional funding was provided in 2006 for cleansing. He explained that he would however be asking officers to carry out a detailed review of Leicester’s street cleansing arrangements once the existing street works in the City Centre were completed.

- b) Economic Development and Planning Scrutiny Committee – 7 December 2006

Local Government White Paper – Strong and Prosperous Communities

The above Committee agreed as follows:

“that the Cabinet be requested to look into ways in which a ‘Greater Leicester’ partnership could be delivered to improve closer working with neighbouring authorities’.

The Leader explained that the authority had forged many links with its neighbouring authorities, stating that he regularly met with David Parsons, Leader of Leicestershire County Council. He added that Councillor Mugglestone frequently met with Nick Rushton County Council’s Cabinet Lead Member for Highways and Transportation, especially to discuss park and ride issues. Furthermore, the Leader reported that he met with Members at Blaby District Council regarding the farmer’s market, and that Councillor Smith met with colleagues at neighbouring authorities to discuss housing issues. He thanked the Committee for their comments however and agreed to look into fostering increased partnership with neighbouring authorities.

**161. MATTER REFERRED FROM COUNCIL - DEVELOPMENT CONTRIBUTIONS AND THE PLANNING PROCESS**

Councillor Scuplak reported that at its meeting on 30 November 2006, Council agreed the following:

“That the decision of Cabinet, taken at its meeting on 30 October 2006, in respect of Development Contribution and the Planning Process, be referred back to Cabinet for further consideration, as Council recognises the housing needs in the city and agrees to ask Cabinet to move Affordable Housing into Priority 2”.

Councillor Scuplak stated that if ‘Affordable Housing’ was moved to the second priority group, there could be a risk of not meeting the essential needs of development. He stated that he was concerned that such a move would effectively allow the Planning and Development Control Committee to prioritise

the Council's capital programme, and felt that this was not appropriate.

RESOLVED:

That the Cabinet decision taken on 30 October 2006 in respect of Development Contributions and the Planning Process be confirmed.

## **162. AREA COMMITTEE EXPENDITURE**

Councillor Sandringham submitted a report that sought Cabinet endorsement of spending proposals by Area Committees.

RESOLVED:

- (1) that the expenditure proposals in Appendix A of the report be approved; and
- (2) that the budget commitments in relation to the contribution towards the community Christmas event at Gilmorton Rooms spent ahead of this Cabinet meeting but agreed by officers in consultation with the relevant Councillors as a matter of urgency due to time constraints, be approved.

## **163. HOUSING REVENUE ACCOUNT - BUDGET 2007/08**

Councillor Smith submitted a report that summarised the financial position of the Housing Revenue Account (HRA) for 2006/07 and 2007/08 and sought support for setting rents and other levels of charge for 2007/08. Councillor Smith reported that he was recommending an average rent increase of 5%. He noted that this was based on the Government's 'formula rents' and therefore the Council had no alternative but to apply this level of increase.

With regard to district heating charges, Councillor Smith reported that problems were still being experienced and currently tenants were not able to regulate their consumption. If the scheme was to be self-financing, tenants would face a rise in charges of 52% in 2007/08. Given that tenants were not able to control their consumption, it was recommended that the increase be restricted to 15%. It was noted that this had been supported by the Housing Management Board.

The relevant minute extract of the Housing and Community Safety Scrutiny Committee on 11 January 2007 had been circulated to the Cabinet, and their comments were noted.

RESOLVED:

- (1) that the estimated working balance of £1.815m at the start of 2007/08 be noted and the base budget for 2007/08 as detailed at Appendix A be approved;
- (2) that the issues outlined in the Supporting Information of the report and the comments of the Housing & Community

Safety Scrutiny Committee and the Housing Management Board be noted;

- (3) that the level of rents for 2007/08 be set on the basis of 'formula rents' and within the ranges shown in Appendix B, noting that different properties will attract different increases and the overall average, in terms of income generated, will equate to a 5% increase overall.
- (4) that the revised level of miscellaneous payments and charges to be applied in 2007/08, be approved as detailed in Appendix D;
- (5) that the 'prudential indicators' for the HRA, as detailed in Section 7 and Appendix E of the 'Supporting Information' be approved
- (6) that £79,000 be added to the 2007/08 budget (and £279,000 in 2008/09 and reducing in later years as more principal repayments are made) to facilitate the inclusion of £3.1m of additional HRA capital expenditure in the 2007/08 Housing Capital Programme, to be financed by unsupported borrowing under the Prudential Framework;
- (7) that the inclusion of £0.2m Capital Expenditure charges to Revenue Account (CERA) in the 2007/08 HRA budget to supplement the 2007/08 HRA Capital Programme be approved; and
- (8) that the charge for district heating increase by 15% in 2007/08.

#### **164. HOUSING CAPITAL PROGRAMME 2006/07 AND 2007/10**

Councillor Smith submitted a report that advised Cabinet on the position at period 7 on this years Housing Capital Programme, revised the forecast for the 2006/07 out-turn and proposed a three year housing capital programme for 2007/10, for recommendation to Council.

The relevant minute extract of the Housing and Community Safety Scrutiny Committee on 11 January 2007 had been circulated to the Cabinet.

RESOLVED:

- (1) that the revised programme, outlined in Appendix 2, for 2006/07 and funding arrangements outlined in paragraph 3.2 of the Supporting Information be approved and the Head of Legal Services be authorised to enter into any contracts necessary to maximize the spend against the revised programme;
- (2) that the resources shown in Appendix 1 of the report be

approved, including the use of Housing Maintenance DSO Profits, Housing Balances and £11.6m from utilizing the Prudential Borrowing Framework to support the Housing Capital Programme (£6.5m in 2006/07, £3.1m in 2007/08 and £1m in 2008/09 and £1m in 2009/10);

- (3) that the Housing Capital Programme for 2007/10 outlined at Appendix 2 be approved including a small level (c3.5%) of over programming, and the Corporate Director of Adults and Housing be authorised in consultation with the Cabinet Member for Housing to authorise any contracts, and the Head of Legal Services to sign any contracts within the overall programme, to achieve a maximum spend against the resources available;
- (4) that within the 2007/08 programme, a grant of £1.750m to HomeCome be approved to acquire properties in accordance with the Leicester Strategy for Affordable Housing and the Housing Needs Survey;
- (5) that it be noted that the 2007/08 Programme will be reviewed during the financial year, and the 2008 to 2010 Programmes will be subject to further ratification as part of the normal annual budget cycles (in particular, commitment to use prudential borrowing will be reviewed at this time); and
- (6) that the Corporate Director of Adults and Housing be authorised in consultation with the Cabinet Member for Housing, to approve bids from Community Associations under the Capital Receipts Initiative allocation.

#### **165. PORK PIE & ATLEE WAY/GLENHILLS WAY IMPROVEMENT**

Councillor Mugglestone submitted a report that sought authority to let a contract for the construction of a scheme to improve the Pork Pie junction and nearby lengths of the Outer Ring Road and to construct it in 2007/08.

The relevant minute extracts of the Aylestone, Eyres Monsell and Freeman Area Committee on 11 December 2006 and the Highways and Transportation Scrutiny Committee on 4 January 2007 had been circulated to the Cabinet.

RESOLVED:

- (1) that Council be recommended to authorise expenditure of £2,713,000 in 2007/08 and £265,000 in 2008/09, to be funded from the Integrated Transport and Capital Maintenance blocks within the Single Capital Pot; and
- (2) that subject to approval of the above, the Service Director,

Legal Services, in consultation with the Corporate Director of Regeneration and Culture and Cabinet Lead Member for Environment, Transport and Culture, be authorised to enter into a contract for the construction of the scheme.

#### **166. GRANBY STREET CONSERVATION AREA**

Councillor Scuplak submitted a report that sought Cabinet approval for the adoption of the Granby Street Character Appraisal as supplementary guidance to the Local Plan and for amendments to the boundary of the Granby Street and Town Hall Square Conservation Areas.

RESOLVED:

- (1) that the Granby Street Character Appraisal be adopted as supplementary guidance to the City of Leicester Local Plan; and
- (2) that the proposed amendments to the boundaries of the Granby Street and Town Hall Square Conservation Areas be approved.

#### **167. HOMECOME ANNUAL REPORT**

Councillor Smith submitted a report that advised on the outcomes for the Council being achieved with HomeCome.

The relevant minute extract of the Housing and Community Safety Scrutiny Committee on 11 January 2007 had been circulated to the Cabinet, and their support of Homecome was noted.

RESOLVED:

that the success in providing extra affordable homes by HomeCome be welcomed and subject to approval of the report on the Housing Capital Programme, the Council's continued support be maintained.

#### **168. ANTI SOCIAL BEHAVIOUR POLICY**

Councillor Sandringham submitted a report that presented a draft corporate policy on anti-social behaviour.

The relevant minute extract of the Housing and Community Safety Scrutiny Committee on 7 December 2006 had been circulated to the Cabinet.

It was noted that the Housing and Community Safety Scrutiny Committee had expressed the view that the risk assessment matrix in the report needed to be better balanced to reflect the needs of victims and perpetrators. Councillor Sandringham reported that this had been taken on board and the report had been amended to reflect this concern.

The Housing and Community Safety Scrutiny Committee also supported the suggestion of a tenant consultation meeting and Councillor Sandringham reported that this was held on 4 January 2007.

RESOLVED:

that the statement of common values set out at 2.3 in the covering report and the policy as set out in the report and appendices, be endorsed.

#### **169. CORPORATE PERFORMANCE - SECOND QUARTER 2006/07**

Councillor Blackmore submitted a report that tracked the Council's performance in delivering services to citizens at a corporate level. It showed the forecasted range of the City Council's CPA score for 2007 for each of the service blocks and performance of key corporate indicators. It was noted that it was predicted that the Council would receive a 'Good' 3 star CPA rating for 2007. However, marked improvements in the processing of planning applications, adult social care and housing benefits, 3 areas previously reporting significant underperformance, were welcomed. Staff were thanked for their hard work in achieving these results.

It was noted that the Resources and Corporate Issues Scrutiny Committee deferred discussion of this item at its meeting on 11 January 2007. However, the Committee would be discussing the report and the Leader welcomed their comments.

RESOLVED:

- (1) that those areas demonstrating continuous improvement in performance be congratulated; and
- (2) that it be noted that the performance overall is improving despite the potential loss of the four star rating and that there are no special areas of concern from those reported in the last quarter.

#### **170. IDEA CORPORATE PEER REVIEW**

Councillor Blackmore submitted a report that presented the findings of the Corporate Peer Review recently carried out, at the request of the Council, by the Improvement and Development Agency (IDeA).

The relevant minute extract of the Resources and Corporate Issues Scrutiny Committee on 11 January 2007 had been circulated to the Cabinet.

The Scrutiny Committee had requested that an action plan be produced in response to the review and the Leader reported that this work was already in train. In commissioning a further report and action plan, the Leader emphasised the importance of better communications and of improving the scrutiny function, which the Cabinet supported.



The Scrutiny Committee were also to consider the item more fully at their next meeting which the Leader would be attending.

RESOLVED:

- (1) that those councillors, officers and partners, both in the city and across the region, who took part in the peer review be thanked
- (2) that the comments of the Resources & Corporate Issues Scrutiny Committee received to date be noted
- (3) that the comments of the Corporate Peer Review Report from the IDeA be noted, and
- (4) that a further report be submitted setting out an action plan to address the issues raised in the IDeA report in the context of initiatives already underway across the Council.

#### **171. CAPITAL PROGRAMME MONITORING 2006/07 PERIOD 7**

Councillor Coley submitted a report that updated Cabinet on the progress of the capital programme for 2006/07 up to the end of October.

It was noted that the Resources and Corporate Issues Scrutiny Committee deferred discussion of this item at its meeting on 11 January 2007.

RESOLVED:

- (1) that a revised level of programmed expenditure of £103.3 million be approved
- (2) that the level of expenditure to the end of October 2006 of £44.7 million be noted
- (3) that the increased cost of the Braunstone Schools Amalgamation scheme of £519,000 to £12.068 million be approved;
- (4) that approval be given for meeting the increased cost of the Braunstone Amalgamation scheme and the shortfall in Childrens Centre funding totalling £599,000 from the increase in proceeds of disposals of the existing site;
- (5) that approval be given for an increase of £300,000 for the City Council's contribution to an additional shredder unit at the Bursom waste plant;
- (6) that the additions to the CLABS programme as detailed in paragraph 4.6.2 of the Supporting Information increasing the total approved sum to £4.978 million be approved;
- (7) that the decision relating to Hamilton Footbridge be noted

and a potential increase in the City Council contribution of up to a maximum of £81,334 be approved;

- (8) that the position relating to capital receipts be noted;
- (9) that the forecast capital programme performance of 93% of the approved programme (excluding any additions or expenditure brought forward) compared to a target of 90% be noted; and
- (10) that the prudential indicators for 2006/07 be noted.

## **172. REVENUE PROGRAMME MONITORING 2006/07 PERIOD 7**

Councillor Coley submitted a report that showed a summary position comparing spending with the budget.

It was noted that the Resources and Corporate Issues Scrutiny Committee deferred discussion of this item at its meeting on 11 January 2007.

RESOLVED:

- (1) that the changes made to the original approved budget for 2006/07 be noted
- (2) that the expenditure to date and the budgetary issues which have emerged so far this year be noted;
- (3) that the proposals put forward to ensure that spending is contained within the Departments' budgets be noted;
- (4) that the establishment of an earmarked reserve for the capital financing costs associated with the Building Schools for the Future programme as outlined in paragraph 6.3 be approved; and
- (5) that the budget transfers outlined in paragraph 3.4 be noted.

## **173. COUNCIL TAX - TAXBASE**

Councillor Coley submitted a report that detailed the recommended taxbase for the financial year 2007/2008.

The relevant minute extract of the Resources and Corporate Issues Scrutiny Committee on 11 January 2007 had been circulated to the Cabinet.

RESOLVED:

that Council be recommended to approve a taxbase for 2007/2008 of 76,593 properties expressed as the equivalent number of "Band D" properties.

#### **174. COLLECTION FUND SURPLUSES**

Councillor Coley submitted a report that identified the estimated financial position of the Collection Fund Account as at 31 March 2007.

The relevant minute extract of the Resources and Corporate Issues Scrutiny Committee on 11 January 2007 had been circulated to the Cabinet.

RESOLVED:

- (1) that the estimated collection fund surplus figure of £1.761m be approved; and
- (2) that the estimated shares payable to the Police Authority, Fire Authority and the City Council be approved as detailed in this report.

#### **175. LEICESTER CITY PCT - FINANCIAL PLAN**

Councillor Coley submitted a report which requested Cabinet to ask Council for delegated authority to enter into a mutually beneficial financial arrangement with the PCT.

RESOLVED:

- (1) that Council be asked for delegated authority to enter into a mutually beneficial financial arrangement with the PCT, which will assist it to deliver its recovery plan and minimise its overspending in 2006/07; and
- (2) that authority be delegated to the Chief Finance Officer, in consultation with the Cabinet lead for Finance, to enter into such an arrangement.

#### **176. PRIVATE SESSION**

The Chair agreed to requests from Councillors, Garrity, Hunt, Kitterick and Willmott to remain in the meeting during discussion of Appendix B3, 'Performing Arts Centre'. Consequently, this item was discussed first during the private session.

RESOLVED:

that the press and public be excluded during consideration of the following reports in accordance with the provisions of Section 100A(4) of the Local Government Act 1972, as amended, because they involve the likely disclosure of 'exempt' information, as defined in the Paragraphs detailed below of Part 1 of Schedule 12A of the Act and taking all the circumstances into account, it is considered that the public interest in maintaining the information as exempt outweighs the public interest in disclosing the information.

Paragraph 3

Information relating to the financial or business affairs of any particular person (including the authority holding that information).

- Proposed Sale Of Surplus Land – Wycombe Road Allotments
- Performing Arts Centre

Paragraph 4

Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.

- Job Evaluation Pay and Grading

Paragraph 5

Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

- Job Evaluation Pay and Grading
- Performing Arts Centre

**177. PROPOSED SALE OF SURPLUS LAND - WYCOMBE ROAD ALLOTMENTS**

Councillor Coley submitted a report.

**RESOLVED:**

- (1) that the freehold disposal of 1.76 hectares of land at Wycombe Road, as identified on the Plan attached to the report, Ctte 124A to Developer A in the sum detailed in the report plus VAT and legal and surveyor's fees, be approved, subject to detailed planning consent and a site condition survey.
- (2) that the Service Director, Legal Services be authorised to enter into the resulting legal documentation.
- (3) that the Corporate Director of Resources be authorised to approve any alterations to the terms and to take all necessary action to progress and complete the proposed disposal, in consultation with the Cabinet Lead Member for Resources.
- (4) that the Corporate Director of Resources be authorised in consultation with the Cabinet Lead Member for Resources to proceed with one of the underbidders in the event that

the highest bid does not proceed to completion.

## 178. JOB EVALUATION PAY AND GRADING

Councillor Coley submitted a report.

RESOLVED:

- (1) that the commencement of negotiations on existing and potential claims to extinguish, as far as possible, the Council's potential equal pay liability be noted and that the outcome of negotiations will be brought for further Member decision.
- (2) that the inclusion of additional project costs of £300,000 for the 2007/08 year in the forthcoming budget, subject to Council approval, be noted
- (3) that the revised project date for completion of job evaluation and implementation of the new pay and grading structure be noted.

## 179. PERFORMING ARTS CENTRE

Councillor Mugglestone submitted a report on the current position regarding the construction of the Performing Arts Centre. Following detailed discussion it was:

RESOLVED:

- (1) that the estimated increase in costs be noted
- (2) that it be noted that there is a litigation strategy to pursue the costs resulting from external errors
- (3) that Council be recommended that the following funding is made available to the project:

	£000
Prudential borrowing	2,000
Advance commitment of 08/09 capital programme	2,000
Revenue contribution from 07/08 budget	2,000
Virement from Regeneration and Culture existing capital programme	815
Payback fund	400
	<hr/> <hr/> <u>7,215</u>

- (4) that Council be recommended that the estimated revenue cost of £180,000 pa. from 2008/09 onwards, as a result of

the additional £2m prudential borrowing, be incorporated within the Council's revenue budget as being prudent, affordable and sustainable

- (5) that Council be recommended to approve that:
  - a) The asset sales required to fund the PAC programme cease to be ringfenced, and applied instead to fund the corporate programme; and that the corporate programme consequently fund this element of the funding package.
  - b) Any uncommitted underspending on Regeneration and Culture's corporately funded minor capital works programme at the end of 06/07 be used to reduce the prudential borrowing required for the PAC (and that finance procedure rule 5.8.1 shall not therefore apply to these schemes).
- (6) that the Corporate Director of Resources be authorised in consultation with the Corporate Director of Regeneration and Culture and Cabinet Lead Members for Resources and Culture, to take all necessary steps, including agreeing terms, for the disposal of the leasehold interest in the Haymarket Theatre; and
- (7) that due to the changed nature of the project, officers be requested to approach funding partners, including the Arts Council, for a further contribution to the cost of the scheme.

## **180. CLOSE OF MEETING**

The meeting closed at 6.56pm.

