



Leicester
City Council

Minutes of the Meeting of the
CABINET

Held: MONDAY, 21 JANUARY 2008 at 1.00 pm

P R E S E N T :

Councillor Willmott- Chair
Councillor Draycott- Vice-Chair

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| Councillor Bhatti | Councillor Kitterick |
| Councillor Connelly | Councillor Osman |
| Councillor Corral | Councillor Mrs Sood |
| Councillor Dempster | Councillor Wann |

ALSO IN ATTENDANCE

Councillor Mugglestone– Leader of the Conservative Group

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197. APOLOGIES FOR ABSENCE

There were no apologies for absence.

198. DECLARATIONS OF INTEREST

Members were asked 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 that applied to them.

Councillor Sood declared a non-prejudicial interest in Item 9 2007/08 Capital Programme Monitoring – Period 7 as a governor of Spinney Hills Primary School.

199. LEADER'S ANNOUNCEMENTS

Interim Chief Executive

Councillor Willmott welcomed Sheila Lock to her first Cabinet meeting since she had taken up her new role as Interim Chief Executive.

Congratulations to Mark Selby

Councillor Willmott paid tribute to Mark Selby who had won the Saga Insurance Masters snooker championship the previous evening. He stated that Mark was a previous member of the New Parks Boys Club, and that his success justified

the investment made into the Club.

Cycling England

Councillor Willmott stated that Ruth Kelly, Transport Secretary had announced that she was to support the Cycling England bid of £140m. It was reported that Leicester City Council had submitted a bid, and that this announcement would subsequently enhance the chances of this bid being successful.

200. MINUTES OF PREVIOUS MEETING

RESOLVED:

That the minutes of the meeting held on 7 January 2008, having been circulated to Members, be taken as read and signed by the Chair as a correct record.

201. MATTERS REFERRED FROM COMMITTEES

Overview and Scrutiny Management Board (OSMB) – 15 January 2008

Support Staff In Voluntary Aided Schools

The above Committee agreed as follows:

“that Cabinet be requested to provide a full response on this issue”.

The Leader thanked the OSMB for their referral and stated that a considerable sum of money had been allocated to paying equal pay compensation as part of the single status agreement. He stated that a full consideration had been given to support staff in voluntary aided schools, which had a different legal status.

202. AREA COMMITTEE EXPENDITURE

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

RESOLVED:

That the expenditure proposal in Appendix A be agreed.

203. DEVELOPMENTS IN LEICESTER'S AIR QUALITY MANAGEMENT AND ACTIONS

Councillor Wann submitted a report that updated Cabinet on progress with Local Air Quality Management and advised of the need to extend the statutory Leicester Air Quality Management Area 2000, in the Abbey Lane corridor.

The relevant minute extract of the Overview and Scrutiny Management Board on 15 January 2008 had been circulated to the Cabinet. Councillor Wann

thanked the OSMB for their comments and in response to the request, agreed that the Board would receive regular updates on the Air Quality Action Plan. With regard to a second comment, Councillor Wann agreed that the Climate Change Board would include matters relating to air quality in their investigations and would provide regular updates on progress to the Board.

Councillor Wann reported that the one area of concern was the residential area fronting Abbey Lane where modelling indicated that air quality objectives would not be achieved. Councillor Kitterick stated that early discussions had taken place with Leicestershire County Council in relation to a park and ride facility being situated in Birstall, which would reduce the level of traffic on Abbey Lane and consequently improve its air quality.

RESOLVED:

- (1) that progress to date be noted
- (2) that the Town Clerk makes an Order extending the existing Air Quality Management Area to include that part of the Abbey Lane frontage shown on the map appended to the report.
- (3) That the appropriate consultations relating to (2) be carried out.
- (4) that the boundaries of the Leicester Air Quality Management Area as a whole during 2008 be reviewed by the Corporate Director of Regeneration and Culture to establish whether other revisions are required.
- (5) That a further report be brought to Cabinet by the Corporate Director of Regeneration and Culture that summarises the wider position and future options and initiatives with respect to Leicester's air quality.
- (6) That the Corporate Director investigates and implements integration of Local Air Quality Management into the Council's Climate Change Programme to ensure that synergies and initiatives are properly managed and exploited.

204. REVENUE BUDGET MONITORING 2007/08 - PERIOD 7

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

The relevant minute extract of the Performance and Value Select Committee on 14 January 2008 had been circulated to the Cabinet.

The Chief Finance Officer informed the meeting that it was intended for revenue budget monitoring and capital programme monitoring to be considered

alongside the corporate performance reports at Cabinet meetings, under arrangements introduced this year. He highlighted the key links between the revenue monitoring and performance monitoring reports:

- (a) impact of new monies allocated to housing benefit earlier this year on improved performance, notwithstanding grant clawback (which related to earlier years' performance);
- (b) the impact reduction in NHS provided beds had on both the PIs of the adults department and the budgetary position. The PCT has subsequently procured additional beds.

Councillor Willmott agreed, and noted that performance issues in respect of education and empty homes were dealt with in the current draft budget for 2008/09.

RESOLVED:

- (1) that the changes made to the original approved budget for 2007/08 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 other action necessary to prevent departments from overspending be considered
- (5) That the progress made towards achieving the Business Improvement Programme savings targets for 2007/08, as outlined in Section 8 of this report be noted, and;
- (6) That £0.15m of corporate budget savings be set aside to meet new initiatives such as planning for the corporate assessment, the 25 year vision and regional working, and that the Chief Executive (in consultation with the Leader) be delegated the authority to spend these sums;

205. 2007/08 CAPITAL PROGRAMME MONITORING - PERIOD 7

Councillor Willmott submitted a report that updated Members on the progress of spending on the capital programme for 2007/08 up to the end of October (period 7) and the forecast spend at the end of the year.

The relevant minute extract of the Performance and Value Select Committee on 14 January 2008 had been circulated to the Cabinet.

Councillor Willmott reported that a substantial sum from the Adults and

Housing budget had been invested into improving housing stock in order to achieve the "Decent Homes Standard". This was reflected in the performance report elsewhere on the agenda.

RESOLVED:

- (1) That a revised level of programmed expenditure of £124.3 million be approved;
- (2) That £50,000 for an enhanced Alley Gate programme of works be approved;
- (3) that the level of expenditure to the end of October 2007 of £49.8 million be noted;
- (4) that the position relating to capital receipts be noted;
- (5) that forecast capital programme performance to spend 96% of the approved programme (excluding any additions or expenditure brought forward) compared to a target of 90% be noted; and
- (6) that the prudential indicators for 2007/08 be noted.

206. COLLECTION FUND SURPLUSES

Councillor Willmott submitted a report that identified the estimated financial position of the Collection Fund Account as at 31 March 2008.

RESOLVED:

- (1) that the estimated collection fund surplus figure of £1.709m be approved; and
- (2) that the estimated shares payable to the Police Authority, Fire Authority and the City Council as detailed in the report be approved

207. HOUSING CAPITAL PROGRAMME 2007/08 AND 2008/11

Councillor Bhatti submitted a report that advised Cabinet on the position at period 7 on this years capital programme, revised the forecast for the 2007/08 out-turn and proposed a three year housing capital programme for 2008/11, for Members approval.

Councillor Bhatti stated that it was pleasing that the uPVC Window and Door Replacement scheme had been completed four years ahead of schedule. He further stated that the Housing Management Board were in agreement with the programme and supported the priorities included for expenditure.

RESOLVED:

- (1) That the revised programme outlined in Appendix 1, for 2007/08 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 2 of the report, including the use of Housing Maintenance DSO Profits and Reserves, Housing Balances and £3m from utilizing the Prudential Borrowing Framework to support the Housing Capital Programme (£1m in 2008/09, £1m in 2009/10 and £1m in 20010/11) be approved;
- (3) that the Housing Capital Programme for 2008/11 outlined at Appendix 3 including a small level (3.5%) of over programming be approved, and the Corporate Director of Adults and Housing in consultation with the Cabinet Member for Community Safety and Housing be delegated authority to authorise any contracts, and that the Head of Legal Services be authorised to sign any contracts within the overall programme to achieve a maximum spend against the resources available;
- (4) that an increased provision of £850k in the Programme for DFG's and Disabled Adaptations be approved with this money being used to clear low cost outstanding cases;
- (5) that within the 2008/09 programme, a grant of £500k to RSL's to acquire/build properties in accordance with the Leicester Strategy for Affordable Housing and the Housing Needs Survey be approved;
- (6) that in addition to the outlined capital programme attached, the use of any commuted sums realized in year for the acquisition of new affordable housing through either HomeCome or RSL's be approved;
- (7) that it be noted that the 2008/09 Programme will be reviewed during the financial year, and that the 2009 to 2011 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
- (8) that the Corporate Director of Adults and Housing and Cabinet Member for Community Safety and Housing be delegated authority to approve bids from Community

Associations under the Environmental allocation.

208. HOUSING REVENUE ACCOUNT - BUDGET 2008/09

Councillor Bhatti submitted a report that summarised the financial position of the Housing Revenue Account (HRA) for 2007/08 and 2008/09.

Councillor Bhatti reported that the deadline for the rent reconstruction process had moved from 2012 to 2017. He also stated that the Housing Management Board were in agreement with the continued use of the 5% tolerance available to the council and supported an overall average rent increase of 5.2%, noted that the actual figure would be different for different properties within the stock because of the impact of rent restructuring.

RESOLVED:

- (1) that the estimated working balance of £3.979m at the start of 2008/09 be noted and the base budget for 2008/09 as detailed at Appendix A be approved;
- (2) that the issues outlined in the body of the report, in particular, the comments of the Housing Management Board be noted.
- (3) that the setting of rents for 2008/09 on the basis of “formula rents” and within the ranges shown in Appendix B be approved, and it be noted that different properties will attract different increases and the overall average, in terms of income generated, will equate to a 5.2% increase overall;
- (4) that the issues outlined in Section 3.5 of the report, regarding the district heating function be noted, and the level of charges to be applied in 2008/09 be held at their current level at this stage but reviewed again by Cabinet, if necessary, in October when the prices under the new energy contracts are known.
- (5) that the decision not to proceed with the metering of properties on the district heating scheme be approved, for the reasons given in Section 3.5.5;
- (6) that the revised level of miscellaneous payments and charges to be applied in 2008/09, as detailed in Appendix D be approved;
- (7) that the “prudential indicators” for the HRA, as detailed in Section 3.7 of the report and Appendix E be approved;
- (8) that £24,000 be added to the 2008/09 budget (and £87,000 in 2009/10 and then reducing in later years as more principal repayments are made) to facilitate £1m of new prudential borrowing being used to finance the 2008/09 HRA Capital Programme; and

- (9) that the addition of £195,000 to the 2008/09 HRA budget for the implementation of a Choice Based Lettings Scheme, which is detailed in Section 3.3 of the report as a potential Service Development for 2008/09, be approved.

209. PROPOSED CHANGES TO THE CONSULTATIVE STRUCTURE FOR LOCAL AUTHORITY TENANTS

Councillor Bhatti submitted a report that sought Cabinets' approval to make changes to the formal consultative structure and to create a more inclusive involvement mechanism for Local Authority tenants and leaseholders.

The relevant minute extract of the Overview and Scrutiny Management Board on 11 December 2007 had been circulated to the Cabinet.

Councillor Bhatti explained that the changes would allow the consultation process to be more inclusive and would give all tenants and leaseholders an opportunity to participate in a way that suits them. He stated that the Housing Management Board were in support of the proposed structure.

Councillor Draycott felt that the proposals were timely given the forthcoming inception of Ward Community Meetings, and that these meetings would present further consultative opportunities for tenants.

RESOLVED:

- (1) That the proposed changes to enhance the consultative structure for both tenants and leaseholders of Leicester City Council to commence April 2008 be agreed;**
- (2) that tenants involvement in the new Community meetings be supported to ensure they can continue to play an active role in local community engagement; and**
- (3) That an interim basis be agreed that the tenant representatives co-opted onto the new Community meetings be selected from the existing Tenants Community Associations, until the Tenant & Leaseholder forums are in place as part of the new consultative structure.**

210. "ADVERTISE AND BID" A NEW LETTING SCHEME FOR SOCIAL HOUSING

Councillor Bhatti submitted a report that sought Cabinet agreement, in principle, to implement a new system for allocating Council houses and our nominations to Housing Associations.

The relevant minute extract of the Overview and Scrutiny Management Board on 15 January 2008 and the comments of the Adults and Housing Task Group had been circulated to the Cabinet. Councillor Bhatti asked officers to take the views of the Task Group into account when working up the proposals.

Councillor Willmott stated that although this scheme did not provide additional housing, it allowed the applications process to become more transparent.

RESOLVED:

- (1) That subject to budgetary provision the implementation of an advertised based lettings scheme for Leicester be agreed; and
- (2) That the details for implementing the scheme be delegated to the Corporate Director of Adults and Housing in consultation with the Cabinet Lead for Housing and Community Safety.

211. SECOND QUARTER PERFORMANCE REPORT 2007/08

Councillor Draycott submitted a report that presented the performance of the Council and its Partners in delivering services to citizens during the second quarter of 2007/08, i.e. end of October 2007 and also provided information through the Cabinet performance indicator portfolios.

The relevant minute extract of the Performance and Value Select Committee on 14 January 2008 had been circulated to the Cabinet and Councillor Draycott stated that she welcomed these comments. She was in agreement with the Committee in respect of bringing back into use as many of the authorities existing empty homes as possible. In respect of a further comment around staff sickness levels, she stated that the target of 12 average sickness days per year was to be reduced to 10. In response to a request, Councillor Draycott reported that there was no problem with the Committee receiving regular reports on actions taken to mitigate the identified risks as part of the regular performance management process.

RESOLVED:

- (1) That those areas demonstrating continuous improvement in performance be congratulated;
- (2) that the second quarter performance results be reviewed and the need for any special action on areas of concern be considered;
- (3) that the risks identified as being matters relevant to the

Council at this time be noted, and;

- (4) that regular reports be received on actions taken to mitigate the identified risks as part of the regular performance management process.

212. WORKING BETTER TOGETHER - LEICESTER COMPACT

Councillor Willmott submitted a report that sought Cabinet endorsement for Leicester City Council as a signatory to the Leicester Compact.

RESOLVED:

That Leicester City Council be endorsed as a signatory to the Leicester Compact.

213. CLOSE OF MEETING

The meeting closed at 1.44pm.

