



Leicester  
City Council

Minutes of the Meeting of the  
CABINET

Held: MONDAY, 17 MARCH 2008 at 2.00 pm

P R E S E N T :

Councillor Willmott- Chair  
Councillor Draycott- Vice-Chair

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

ALSO IN ATTENDANCE

Councillor Coley– Leader of the Liberal Democrat Group

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**244. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Follett.

**245. 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 1992 applied to them.

No declarations were made.

**246. LEADER'S ANNOUNCEMENTS**

There were no leaders announcements.

**247. CAPITAL PROGRAMME - OVERALL STRATEGY**

Councillor Willmott submitted a report that described the approach to planning the corporate, transport and children's capital programmes.

The relevant minute extract from the Overview and Scrutiny Management Board held on 13 March 2008 had been circulated to Members of the Cabinet.

Councillor Willmott thanked officers for constructing the Capital Programme and felt that it was an excellent programme. He spoke of his intention to join together the Capital and Revenue Programmes more effectively in the future, and this in turn would benefit the people of Leicester.

Councillor Coley asked whether the Cabinet felt that the Council Tax increase was excessive, and also asked how the £2,000,000 taken out of the Council's reserves would be returned. With regard to the first question, Councillor Willmott responded by stating that the rate of council tax increase imposed by the authority was very reasonable compared to that set by the police authority. He stated that the a Band A Council Tax payer would pay an extra 67p per week and that Band A was the most common council tax band in the city. Furthermore, he explained that the rise did not eclipse the Retail Price Index and made it clear that the rise in taxation would allow for many improvements to be made to service provision in Leicester.

In response to Councillor Coleys' second point, Councillor Willmott stated that the Council's balances were healthy and of a sound financial state. He reported that £5,000,000 was held in the Council's reserves, and that this was a financially responsible amount. He stated that it was intended to increase the level of reserves to £7,000,000 and the careful management of finances would achieve this.

RESOLVED:

(1) Corporate Capital Programme

- (1) That the capital programme shown at Annex A be recommended to Council.
- (2) that the following status of the schemes in Annex A 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 (and having regard to any matters described in paragraph 6 of this report);
- (3) 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 with the exception of £2m in 08/09 and £1m p.a. in later years (as stated in the housing capital programme, these resources are being dealt with as part of the corporate programme and will primarily be used to support schemes which support or complement housing growth);
- 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.

(4) 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) Council be recommended to approve a higher decision limit of £5million, being the amount below which the Cabinet can make changes to the programme, subject to:

(i) Council reserving to itself the decision to increase the amount of corporate resources used for any given scheme by more than £2.5million;

(ii) The revenue impact of changes in the programme being containable within the Cabinet's virement limit; and

(5) that it be noted that the above limits apply to the capital programme as a whole, not just the corporate capital programme.

(2) Central Leicestershire Local Transport Plan 2006 to 2011  
Interim Capital Programmes 2008 to 2011.

- (1) that the interim programme of works, as set out in Appendices A and B be recommended to Council;
- (2) that the priorities for spending the road safety grant be recommended to Council; and
- (3) that the bus route for the Enderby Park and Ride service as “Fosse Park, Outer Ring Road, Hinckley Road, City Centre” be recommended to Council.

(3) Children and Young People’s Services Capital Strategy and Programme – 2008/09.

- (1) that the requirement to submit a revised strategic business case for the BSF programme and a new strategic business case for the Primary Capital Programme within the next few months be noted and a limited, single year (2008-09) capital programme pending the completion of the longer – term investment plans be agreed.
- (2) that a Capital Programme be recommended to Council.
- (3) that the Corporate Director of Children and Young People’s Services be authorised to implement the programme in accordance with the Council’s Finance and Contract Procedure Rules and the specific delegations listed below ,subject to the approval of the programme by Council
- (4) that the Corporate Director be authorised to determine the detailed expenditure proposals for £150,000 of school access improvements funds, which would typically be a maximum of around £25,000 to schools;
- (5) that the Corporate Director be authorised to transfer funds between projects in the programme, to suit actual tender values for each project, within the limits allowed by the Council’s Finance Procedure Rules.
- (6) that the Corporate Director be authorised to spend up to £250,000 should specific BSF risks materialise, with any such spending to be reported to Cabinet in the usual

monitoring cycle or as a specific report, depending on the significance.

#### **248. CLOSE OF MEETING**

The meeting closed at 2.08pm.

