



Leicester
City Council

Minutes of the Meeting of the
CABINET

Held: MONDAY, 26 JANUARY 2009 at 1.00 pm

P R E S E N T :

Councillor Willmott- Chair
Councillor Osman - Vice-Chair

Councillor Aqbany
Councillor Cooke
Councillor Draycott

Councillor Bhatti
Councillor Dempster
Councillor Kitterick

Councillor Wann

* * * * *

174. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Connelly.

175. DECLARATIONS OF INTEREST

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

Councillor Osman declared that he had a prejudicial interest in respect of Item 18, Transfer of Highfields Centre. He undertook to leave the meeting during consideration of the item.

176. LEADER'S ANNOUNCEMENTS

With regard to the Gaza conflict, the Leader gave the following statement:

“As part of the Leader’s Announcements I would like to say a few words on the situation in Gaza.

“I’m sure that my colleagues will have shared my relief at the start of the ceasefire between Hamas and Israel last week.

“This relief is tempered by the terrible cost of the conflict, the heavy toll on human life with an estimated 1,300 dead, more than 4,000 buildings destroyed, tens of thousands of Palestinians left homeless and water and power supplies

broken or badly damaged. I join many other people around the world in condemning the acts of violence of both Israel and Hamas that have led to this humanitarian crisis. Serious allegations about the conduct of both sides have been made and must be investigated.

“We all hope that the planned negotiations are successful in forging a lasting peace, but in the meantime it is vital that aid gets to the residents of Gaza suffering in the aftermath of the violence. The Department for International Development has announced an additional £20 million in aid for Gaza and the Disasters Emergency Committee Gaza Crisis Appeal is appealing for contributions. It is critical that these, and other organisations, are able to work as quickly as possible to help relieve the distress of those affected by the conflict. I would urge people, though I realise they may be financially stretched at the moment, to contribute to this appeal.”

177. MINUTES OF PREVIOUS MEETING

RESOLVED:

that the minutes of the meeting of Cabinet, held on 5 January 2009, be confirmed as a correct record.

178. MATTERS REFERRED FROM COMMITTEES

Meeting of the Audit Committee on 18 December 2008

Annual Governance Statement 2007-8 Follow Up Report

The above Committee agreed that Cabinet be asked to provide biannual updates of progress made to address the issues identified in the Annual Governance Statement; and that such reports from Cabinet be considered by the Audit Committee to consider the adequacy or otherwise of progress made.

In response to a request it was agreed that the report would be re-circulated to Cabinet Members.

RESOLVED:

- 1) that Cabinet provides biannual updates of progress made to address the issues identified in the Annual Governance Statement;
- 2) that such reports from Cabinet be considered by the Audit Committee to consider the adequacy or otherwise of progress made.

179. 100 ACHIEVEMENTS - REPORT OF THE LEADER OF THE COUNCIL

Councillor Willmott submitted a report that listed 100 achievements since May 2007.

He acknowledged that the successes had been brought about with the support of many people. He stated that the successes had begun to transform Leicester, and that the report was a way of recognising this.

RESOLVED:

that Cabinet endorses the report and submits it to Council for further discussion.

180. PROPOSED CHANGES TO MAINSTREAM HOME TO SCHOOL TRANSPORT POLICY AND THE INTRODUCTION OF REVISED CONTRIBUTION CHARGES FOR STUDENTS IN THE 16-19 SECTOR

Councillor Dempster submitted a report that updated Cabinet on the need to revise the City Council's Home to School Transport Policy in response to legislative changes.

The comments of the Overview and Scrutiny Management Board were noted and welcomed.

RESOLVED:

that Cabinet:

1) agrees to the revised City Council Home to School Transport Policy to comply with statutory requirements;

2) agrees to the introduction of revised contribution charges for implementation from autumn 2009.

181. THE 2ND EDITION OF THE TRANSPORT ASSET MANAGEMENT PLAN 2007-2011

Councillor Kitterick submitted a report that sought approval of the 2nd edition of the Leicester City Council Transport Asset Management Plan 2007 – 2011, which included the new Gating Order Policy and Vehicle Crossing Policy. He noted that the Gating Order Policy would be used in consultation with the Cabinet Lead and the Ward Councillors.

Councillor Kitterick noted and supported the recommendations of the Overview and Scrutiny Management Board with regard to considering the Council's charging policy for vehicle crossings. He stated, however, that reducing charges may result in poorer quality work.

Councillor Kitterick stated that the document was under constant revision, and further suggestions from Cabinet Members were welcomed.

RESOLVED:

that Cabinet:

1) notes the progress made on the improvement plans;

- 2) recommends to Council that it approves the 2nd Edition of the Transport Asset Management Plan 2007 – 2011 including the new Gating Order Policy and the Vehicle Crossing Policy.
- 3) endorses the recommendation from the Overview and Scrutiny Management Board.

182. HOUSING CAPITAL PROGRAMME 2008/09 AND 2009/14

Councillor Aqbany submitted a report that advised Members on the position at period 7 on this year's capital programme, revised the forecast for the 2008/09 out-turn and proposed a five year housing capital programme for 2009/14, for Members approval.

Councillor Willmott pointed out that, although Right to Buy receipts had fallen, a significant sum had still been committed to the capital programme for work to take place.

RESOLVED:

that Cabinet notes the report and comments from the Housing Performance Panel and recommends Council to:-

- 1) approve the revised programme, outlined in Appendix 1 of the report, for 2008/09 and funding arrangements outlined in paragraph 3.2 of the Supporting Information, and authorize the Head of Legal Services to enter into any contracts necessary to maximize the spend against the revised programme;
- 2) note the deteriorating position concerning Right to Buy and other capital receipts and its impact on the General Fund side of the Housing Capital Programme, and particularly the planned contribution to the Corporate Capital Programme 2008/11;
- 3) approve the resources shown in Appendix 2 of the report, including the use of Housing Maintenance DSO Profits and Reserves, Housing Balances and the Prudential Borrowing Framework to support the Housing Capital Programme over the next five financial years;
- 4) consider the Equality Impact Assessment appended to this report;
- 5) approve the Housing Capital Programme for 2009/14 outlined at Appendix 3 including a small level (3.5%) of over programming, and delegate authority to the Corporate Director of Adults and Housing in consultation with the Lead Cabinet Member for Housing to authorize 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;

- 6) agree to ringfence any new housing capital receipts generated in year to
 - make up the shortfall in the planned contribution to the corporate capital programme for infrastructure and other developments needed to deliver against future housing needs, and
 - support the Disabled Facility Grant (DFG) Programme.
- 7) approve the use of any commuted sums realized in year for the acquisition of new affordable housing through either HomeCome or RSL's.
- 8) note that the 2009/10 Programme will be reviewed during the financial year, and the 2010 to 2014 Programmes will be subject to further scrutiny and ratification as part of the normal annual budget cycles (in particular, commitment to use prudential borrowing and HRA balances will be reviewed at this time); and
- 9) delegate, to the Corporate Director of Adults and Housing and Lead Cabinet Member for Housing, authority to approve bids from Community Associations under the Environmental and CRI allocations.

183. HOUSING REVENUE ACCOUNT BUDGET 2009/10

Councillor Aqbany submitted a report that summarised the financial position of the Housing Revenue Account (HRA) for 2008/09 and 2009/10.

The comments of the Overview and Scrutiny Management Board were noted, and it was also noted that tenants were in support of the programme.

RESOLVED:

that Cabinet notes the report, and recommends Council to:-

- 1) note the estimated working balance of £4.573m at the start of 2009/10 and approve the base budget for 2009/10 as detailed at Appendix A, including using £2.519m to support the Housing Capital Programme in 2009/10;
- 2) consider the issues outlined in the body of the report and, in particular, the comments of the Performance Panel, which will be reported at the meeting;
- 3) Consider the Equality Impact Assessment appended to this report;

- 4) approve the setting of rents for 2009/10 on the basis of “formula rents” and within the ranges shown in Appendix B, noting that different properties will attract different increases subject to the maximum individual increase being 7%, and the overall average, in terms of income generated, will equate to a 5.9% increase;
- 5) approve the revised level of miscellaneous payments and charges to be applied in 2009/10, as detailed in Appendix C;
- 6) delegate authority to Cabinet to review and set the revised level of charge for district heating when a new contract is negotiated.
- 7) approve the “prudential indicators” for the HRA, as detailed in Section 3.7 of the report and Appendix D;
- 8) approve that £15,000 be added to the 2009/10 budget (and £53,000 in 2010/11 and then reducing in later years, as more principle repayments are made) to facilitate £0.6m of new prudential borrowing being used to finance the 2009/10 HRA Capital Programme.

184. NEIGHBOURHOOD ENGAGEMENT - THE NEXT STEPS

Councillor Draycott submitted a report that considered the next steps to be taken to build on the early successes of Ward Community Meetings as a vehicle for effective community engagement. She noted that the theme of Environmental Services in the first year had been well received and Highways would be the theme for 2009/10.

In response to the comments from the Overview and Scrutiny Management Board (OSMB) Councillor Draycott agreed to investigate the consolidation of the three funding streams. She expressed concern, however, that this might not be possible as the money may need to be spent on specific allocations, particularly with regard to the community cohesion funding. Councillor Draycott thanked OSMB for their positive comments. Councillor Draycott was to hold discussions with the Primary Care Trust to establish their involvement. She suggested that Medical Practitioners could attend the Community Meetings with specific health campaigns.

Councillor Draycott thanked Council Officers for the work carried out on the Community Meetings.

RESOLVED:

that Cabinet:

- 1) notes the successes and key learning points from the initial

series of Ward Community Meetings;

- 2) notes the next tranche of City wide services to feature in the Meeting Information Fairs and encourages Members and officers to identify further additional Ward specific items for inclusion;
- 3) endorses the work currently underway with partner agencies to actively promote their inclusion in the Information Fairs and on Meeting Agenda items in a targeted manner which best meets their requirements and outputs;
- 4) endorses the provision of Ward specific web sites and capacity building mechanisms to enable members of the public to engage better in Ward Community Meetings and the associated input and outcomes;
- 5) notes the ongoing work to ensure that the particular issues and needs of the city centre, including its residents, is addressed in the most appropriate manner;
- 6) supports the provision, through the current work of the Delivering Excellence Team, to provide both Ward based service data and the associated ward related service performance management which is thereby enabled;
- 7) endorses the inclusion of highways and traffic services in 2009/10, along with Youth services and environmental issues/climate change over the next two years as the next key city wide services to be also considered in detail at the individual Ward level to ascertain the levels of service delivery which are best addressed city wide and those which can be reconfigured to make them more bespoke to the needs and requirements of each local community;
- 8) notes that the carry forward of the unspent provision of the first year's allocation of funding to Ward Community Meetings, including the specific sums for community cohesion will be considered as part of the 2008/09 Revenue Budget out-turn;
- 9) asks officers to develop further proposals to use additional funding to support Ward Community Meetings from the community engagement allocation within the Working Neighbourhoods Fund and/or from resources and skills that may be released as a result of decisions on the future of Neighbourhood Management which are due at Cabinet on 16 February;
- 10) endorses the publicity and feedback proposals detailed in the report to maximise awareness of the activities and outcomes

of the Ward Community Meetings;

- 11) welcomes the work underway, by both Members and officers, to ensure that the determination of the future calendar of Ward Community Meetings for the next municipal year, which will then be incorporated into the annual calendar of meetings and utilised, as appropriate, in advance publicity material
- 12) notes and endorses the emerging role of Ward Community Meetings in embedding and promoting good community relations within and between local neighbourhoods.
- 13) notes the consideration currently being given to the future provision of consultation mechanisms for Housing Management and Repairs for tenants and leaseholders, including synergies which exist with Ward Community Meetings.

185. LEICESTER RESIDENTS' SURVEY FINDINGS 2008

Councillor Willmott submitted a report that informed Cabinet of the key findings of the Leicester Residents' Survey 2008, which was carried out by Ipsos Mori on behalf of Leicester City Council and NHS Leicester City.

Councillor Willmott welcomed the report as a positive reflection on the work being carried out and noted that there was more to be done.

RESOLVED:

that Cabinet:

- 1) notes the overall findings as detailed in Paragraph 4.3 of the report;
- 2) notes the action agreed at the Joint Executive Board meeting held after the presentation of findings by Ben Page, Chairman of Ipsos MORI to set up a working group, which would be responsible for:-
 - an immediate response on the areas for improvement and communicate with residents that we have listened and acted upon the findings;
 - looking at the findings in context: triangulate the findings with other surveys and other data that we have, to build up a more comprehensive picture – test it against what we already know/ own experience. Further help has been offered by Ben Page, Chairman of Ipsos MORI to undertake this work; and

- drilling down into the data at a ward level to make the information useful and meaningful, in particular:
 - By portfolio to inform Cabinet Members.
 - For Ward Councillors and Ward Community meetings.

186. THE SUSTAINABLE COMMUNITIES ACT 2007

Councillor Willmott submitted a report that informed Cabinet about the provisions of the Sustainable Communities Act 2007.

RESOLVED:

that Cabinet

- 1) notes the provision of the Sustainable Communities Act, and the potential benefits of making use of the Act in Leicester;
- 2) agrees to explore the benefits and any potential challenges to using the Act as a tooling improving the sustainability of local communities and ultimately help the Council achieve the One Leicester 25 year vision;
- 3) agrees to a further report to come to Cabinet which will identify areas that proposals could be developed, and the processes to use the act, in the context of meeting our One Leicester priorities and the challenges the city faces in the current economic climate.

187. LEICESTER'S LOCAL ANNUAL AGREEMENT ANNUAL REVIEW 2008/9

Councillor Willmott submitted a report that presented the performance information for the second quarter of 2008/9 along with commentary on Leicester Partnership's delivery arrangements, in the form of a self assessment, which informed the annual review of the Local Area Agreement (LAA).

RESOLVED:

that Cabinet:

- 1) notes the report and the additional information on responses to the increased levels of serious acquisitive crime;
- 2) receives a further report on the annual refresh of the Local Area Agreement.

188. LEICESTER'S SECOND GENERATION LOCAL PUBLIC SERVICE AGREEMENT (2005/08) REWARD GRANT CLAIM

Councillor Willmott submitted a report that sought Cabinet to 'sign-off' a claim

for Reward Grant in respect of Leicester's Second Generation Local Public Service Agreement (LPSA 2).

The Chair invited officers to report the position of the Fire Rescue Service. It was explained that the Fire Rescue Service felt that they could not sustain the Arson Task Force on 25% of the reward grant and requested this be increased to 33%. It was noted that the work carried out with young people to prevent arson was a key function of the service, although it was not a priority of the Local Area Agreement. Members agreed that although this was not a priority area it did relate to a group of people who were a priority to the city and Members agreed to increase the percentage.

RESOLVED:

that Cabinet:

- 1) agrees that a claim for LPSA reward grant be submitted to Communities and Local Government on the basis of the information set out in this report;
- 2) agrees (in line with the previous decision of Cabinet in December 2007) that the revenue element of reward grant be allocated to Leicester Partnership delivery groups. This allocation be determined by the actual level of reward granted for performance against targets in each delivery group's area of responsibility;
- 3) Recommends to delivery groups that a minimum of 25% of reward grant for each target be allocated to the agency responsible for delivering the improved performance as a reward and to enable them to sustain improved performance;
- 4) Asks delivery groups to use the balance of their allocation to commission activities that will contribute to current One Leicester LAA priorities.

189. ANY OTHER URGENT BUSINESS

JOB EVALUATION – PROJECT MANAGEMENT COSTS

The Leader agreed to accept the report as a matter of urgency due to the impact of the project on the Council if the project was delayed.

Councillor Osman submitted a report that sought approval of the creation of a project management budget to continue the work of job evaluation.

Discussion took place regarding the need to commence activity within the current financial year, and it was reported that it was necessary in order to have the new system in place as quickly as possible. Failure to do so could result in challenges. Members stressed the importance of ensuring that lessons learnt from the first job evaluation project be put to good effect, and they were

assured that considerable work had been done on ensuring good planning and governance throughout the process.

Due to the need to commence in the current financial year, Members considered the recommendation to prevent any exercise of call-in. It was noted that other group leaders had been notified of the issues in the report in advance.

RESOLVED:

that Cabinet:

- 1) approves the commitment and incurring of up to £1m of expenditure on project management during 2008/09, in advance of the 2009/10 budget ;
- 2) considers the above recommendation to be urgent, and therefore, in accordance with Cabinet Procedure Rule 12d of the Council's Constitution, prevents any exercise of call-in.

190. 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).

Paragraph 5

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

TRANSFER OF HIGHFIELDS CENTRE

DISTRICT HEATING CHARGE

191. TRANSFER OF HIGHFIELDS CENTRE

Councillor Osman left the meeting during consideration of the following item.

Councillor Aqbany submitted a report concerning the transfer of the Highfields Centre.

Members asked for a public statement to be made on the transfer as soon as possible. They also noted the response that was submitted from UNISON on the matter.

RESOLVED:

that Cabinet approves the recommendations as set out in the report.

192. ANY OTHER URGENT BUSINESS

Councillor Osman returned to the meeting.

DISTRICT HEATING CHARGE

The Leader agreed to accept the report as a matter of urgency to enable Cabinet to respond in a timely manner to the judicial review challenge on the matter.

Councillor Aqbany submitted a detailed report that informed Members there had been a Judicial Review challenge of the Cabinet decision, taken at its 1st October 2008 meeting, to increase district heating charges by 76% from 10th November 2008. The report contained an Equality Impact Assessment with regard to the 1st October decision. It detailed the officer response to the legal challenge and opportunities now currently available in the energy markets that might enable the Council to take advantage of lower fuel prices. The report also contained an Equality Impact Assessment with regard to the implications of any increases post-April.

In terms of the Council's response to the Judicial Review, the Service Director (Housing Improvement and Repairs Service) amplified the options available to Members in terms of the way forward and at the same time drew Members' attention to the letter that had been copied to all Members on behalf of the St Matthew's Tenants' Association.

The Service Director (Housing Improvement and Repairs Service) responded to questions from Members. The Service Director, Legal Services, advised Members in relation to legal matters.

RESOLVED:

that Cabinet:

- 1) notes the basis of the Legal Challenge mounted by the Public Law Project and the Council's response;
- 2) reconsiders the original decision taken on 1 October 2008 in light of the Equality Impact Assessment attached to the report;

- 3) rescinds the decision taken on 1 October 2008 with regard to the imposition of a 76% increase in heating charges, backdated to the date of implementation, with the Corporate Director of Adults and Housing, in consultation with the Cabinet Lead for Housing, being authorised to arrange for tenants who have paid the increases to be given a refund or to have their rent accounts credited appropriately, noting that in view of Cabinet's decision it will not be possible for the Corporate Director to seek to recover the previously increased charges that have not been paid;
- 4) authorises the Corporate Director of Adults and Housing, in consultation with the Head of Contract Procurement, to adopt a best practice approach to future energy contracts, acquiring some of our future needs in advance;
- 5) for the post-April 2009 period, instructs officers to consult tenants via the Housing Performance Panel on the proposals included as part of the terms of reference of the Equality Impact Assessment attached as Appendix D of the report;
- 6) for the post-April 2009 period endorses the recommendations included in the Equality Impact Assessment attached at Appendix D of the report;
- 7) delegates authority to the Corporate Director of Adults and Housing in consultation with the Leader of the Council and Cabinet Lead for Housing to make a decision once that consultation is concluded;
- 8) delegates authority to the Corporate Director of Adults and Housing to authorise rehousing or installation of meters or review the charge applicable, as recommended in the Equality Impact Assessment;
- 9) authorises the Service Director, Legal Services, in accordance with Article 14 of the Council's Constitution and in consultation with the Corporate Director of Adults and Housing and Cabinet Lead for Housing, to defend the Judicial Review proceedings presently issues and any further Judicial Review proceedings (if any) arising from this resolution;
- 10) agrees to the Prudential Borrowing Reserve Fund being redesignated as the Prudential Borrowing/District and Communal Heating and Hot Water Reserve Fund.

193. CLOSE OF MEETING

That the meeting closed at 2.20pm.

