

MINUTES

COUNCIL
THURSDAY, 1 MARCH 2012
2.00 PM



PRESENT

Councillor Michael Cook Chairman

Councillor Bob Adams
Councillor Mark Ashberry
Councillor Ray Auger
Councillor Harrish Bisnauthsing
Councillor Pam Bosworth
Councillor Robert Broughton
Councillor Teri Bryant
Councillor Paul Carpenter
Councillor Mrs Frances Cartwright
Councillor George Chivers
Councillor Kelham Cooke
Councillor Paul Cosham
Councillor Nick Craft
Councillor Alan Davidson
Councillor Phil Dilks
Councillor Breda Griffin
Councillor David Higgs
Councillor Reginald Howard
Councillor Mrs Rosemary Kaberry-Brown
Councillor Jock Kerr
Councillor Vic Kerr
Councillor Michael King
Councillor David Nalson
Councillor Mrs. Linda Neal
Councillor John Nicholson

Councillor Alan Parkin
Councillor Nick Robins
Councillor Graddon Rowlands
Councillor Bob Sampson
Councillor Bob Sandall
Councillor Susan Sandall
Councillor Trevor Scott
Councillor Ian Selby
Councillor Rob Shorrock
Councillor Mrs Judy Smith
Councillor Jacky Smith
Councillor John Smith
Councillor Judy Stevens
Councillor Ian Stokes
Councillor Adam Stokes
Councillor Mike Taylor
Councillor Mrs Jean Taylor
Councillor Jeff Thompson
Councillor Frank Turner
Councillor Bruce Wells
Councillor Martin Wilkins
Councillor Paul Wood
Councillor Rosemary H Woolley
Councillor Raymond Wootten
Councillor Debbie Wren

OFFICERS

Chief Executive (Beverly Agass)
Strategic Directors (Daren Turner,
Tracey Blackwell, Ian Yates)
Head of Legal and Democratic Service
(Lucy Youles)
Head of Finance (Richard Wyles)

OFFICERS

Head of Environmental Services (Dave
Banks)
Environmental Health Services Manager
(David Price)
Principal Democracy Officer (Jo Toomey)

60. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Bevan, Miss Channell, Morgan, Powell, Russell, Stephens and Mrs Sumner.

61. DECLARATIONS OF INTEREST

Councillor Ian Stokes declared a personal interest in agenda item 8 (the Budget for 2012/13 – fees and charges) because, as an accountant, he worked on behalf of people subject to those fees and charges.

Councillor Adam Stokes declared a personal interest in agenda item 8 (the Budget for 2012/13 – fees and charges) because, as an accountant, he worked on behalf of people subject to those fees and charges.

62. MINUTES OF THE MEETING HELD ON 8 DECEMBER 2011

The minutes from the meeting held on Thursday 8 December 2011 were proposed, seconded and agreed as a correct record.

63. COMMUNICATIONS (INCLUDING CHAIRMAN'S ANNOUNCEMENTS)

The Council noted the Chairman's engagements. Members congratulated the Chairman on the success of a recent coffee morning. Reference was also made to a civic engagement that was cancelled, of which no notice was received.

The Chairman requested to Members to note condolences to a Councillor who had suffered a recent bereavement.

64. CORPORATE PLAN

Decision:

That the Council approves the Corporate Plan for publication as attached at appendix 1 to report number RCC12.

On moving the recommendations in report number RCC12 on the Corporate Plan 2011-2015, the Leader congratulated the team on the document's format and readability. The document listed the Council's achievements and the Council's vision, priorities and plans for achieving them. The proposition was seconded.

Debate ensued on the item, during which the Council's ambitions were noted. One Councillor asked for assurance that the Council had sufficient capacity and resources to meet the priorities. Reference was also made to the Audit Commission's value for money conclusion.

The suggestion was made that a similar document could be produced in conjunction with children and young people across the district; this could provide an opportunity to raise the profile of the document within the wider community. It was further suggested that consultation on the corporate plan should form a key agenda item for Local Forums.

Comments were made relating to the Council's priority: 'support good housing for all' and concerns about a lack of certainty in developer-led housing schemes. It was noted that changes in the financing of the Housing Revenue Account could provide the Council with opportunities to develop houses itself.

In summing up, the Leader assured Councillors that there were no concerns about capacity at this point. In some priority areas, capacity had already been increased and provision had been made in the proposed budget in case further capacity was required. She advised that the community drop-in sessions which had replaced Local Forums, would be used to consult on issues like the Corporate Plan. Based on current information about changes to the housing subsidy, the Council was considering opportunities to build new homes, however further guidance from Government was awaited.

The proposition was put to the vote and carried.

65. LOCAL AUTHORITY MORTGAGE SCHEME

Decision:

- 1. Council approves participation in the Local Authority Mortgage Scheme (LAMS), in partnership with Lloyds Bank plc up to a limit of £1m (as defined in appendix A to report SD031)**
- 2. Council approves plans to extend LAMS across other lenders as they enter the scheme up to a total value of £5m subject to a full analysis of impact against priorities of the first £1m and subject to budget provision**
- 3. Council approves the policy for scheme eligibility as detailed in appendix B of report SD031, with the addition of: "the scheme will not be available for new build properties" to clause 5**
- 4. Council delegates to the Strategic Director (Corporate Services) the authority to execute the legal documentation and obtain the required legal indemnity to take part in the scheme**

The Resources Portfolio Holder moved the recommendations in report number SD031 on the Local Authority Mortgage Scheme; this was seconded. The draft scheme had been considered by members of the Resources Policy Development Group.

The Head of Legal and Democratic Services clarified the following points regarding the report and proposed policy:

- A map had been circulated to all Councillors, which showed the district's boundary and would form part of the scheme.

- Clause 3.2, bullet point 5 of the report stated that the scheme would not be available for the purchase of new build property. This was not reflected in the draft policy document and needed adding to clause 5 of appendix B.

Members spoke in support of the proposition, however several concerns were raised including how people who could not raise a deposit would meet the criteria for a mortgage and the number of properties that would be available within the price range across the district, noting particularly Stamford and Bourne where property prices were higher than Grantham. The Resources Policy Development Group had recommended a maximum purchase price of £125,000, the level at which properties would be subject to stamp duty from 25 March 2012.

In response to concerns about why the scheme would not be available for the purchase of new build properties, the Strategic Director (Corporate Focus) explained that if the recommendations were approved, the Council's initial scheme would be in partnership with Lloyds Bank plc, whose criteria stipulated the scheme was not for new builds. After the pilot, there could be opportunities to extend the scheme. The Government's FirstBuy scheme was designed solely for the purchase of new build properties; the local scheme was designed to complement this.

Councillors noted that the sale of an existing property to a first-time buyer could trigger up to five movements in the property market. Helping first-time buyers onto the property market could impact on the Council's housing register. Comment was made relating to the acclaim received by the scheme locally and nationally.

The proposition was put to the vote and carried unanimously.

66. BUDGET

Decision:

PART A

In relation to the General Fund (Revenue) SECTION B of report HOF189, the Council:

- Approves the original base estimate for 2012/13 and indicative base estimates for 2013/14 and 2014/15 and to set a General Fund budget requirement of £14.027M for 2012/13 (inclusive of special expenses) as detailed in the summary at Appendix A page 1;**
- Approves a Council Tax freeze for 2012/13 (including special expense areas)**
- Approves increases in Fees and Charges for 2012/13 as set out in Appendix D**

In relation to the Housing Revenue Account (HRA) SECTION C of report HOF189,

the Council:

- d. Approves the Housing Revenue Account for the year 2012/13 to set dwelling rent increases in accordance with Government guideline rent providing an average rent of £71.08 (and an average rental increase of 7.65%) shown at Appendix A page 7
- e. Sets an increase in garage rents of 5.6%
- f. Increases service charges by 5.6%
- g. and indicative years 2012/13 and 2014/15
- h. Approves the borrowing for the self financing of the HRA of a short term Maturity loan of term of between 8-9 years to the value of £25m and a 30 year Equalised Instalments of Principal (EIP) loan to the value of £96.6M
- i. In the event of extreme volatility in market rates between the date of the Council's decision and the date currently set for the financing implementation in respect of item h above to delegate to the Strategic Director Corporate Focus the authority to secure the most financially advantageous financing arrangement.

In relation to Capital and investment Programmes SECTION D of report HOF 189, the Council:

- j. Approves the General Fund Capital programme for 2012/13 to 2014/15 detailed at Appendix B page 1
- k. Approves the indicative Housing Investment programme for 2012/13 to 2014/15 detailed at Appendix B page 2
- l. Approves the Capital Financing statement detailed at Appendix B page 3

In relation to the Reserves and balances SECTION E of report HOF 189, the Council:

- m. Approves the use of the reserves as detailed at paragraph 16.

Management and prudential indicators SECTION F of report HOF 189, the Council:

- n. Approves the Treasury Management Strategy provided at Appendix D
PART B

In accordance with the requirements set out in paragraphs 32 to 36 of the Local Government Finance Act 1992, the Council adopts:

- 1) That the following amounts be calculated by the Council for the year 2012/13 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992 (as amended)
 - a) £78,763,000 being the aggregate of the amounts which the Council estimates for the items set out in Section 32 (2) (a) to (e) of the Act (including special expense and parish precepts).
 - b) £63,653,000 being the aggregate of the amounts which the Council estimates for the items set out in Section 32 (3) (a) to (c) of the Act.
 - c) £15,110,000 being the amount by which the aggregate at a) above

exceeds the aggregate at b) above, calculated by the Council, in accordance with Section 32(4) of the Act, as its budget requirement for the year.

- d) £7,369,000 being the aggregate of the sums which the Council estimates will be payable for the year into its General Fund in respect of redistributed Non-Domestic Rates and Revenue Support Grant increased by the amount of the sum to be transferred from the Collection Fund to the General Fund
- e) £164.33 being the amount at c) above less the amount at d) above, all divided by the Council's tax base of 47,105.8 as recorded in minute 34 of the cabinet meeting of 5 December 2011, in accordance Section 33(1) of the Act, as the basic amount of its Council Tax for the year 2012/2013.
- f) £1,958,546 being the aggregate amount of all special items referred to in Section 34(1) of the Act.
- g) £122.76 being the amount of e) above, less the result given by dividing the amount of f) above by the Council's tax base relating to special items as set on 5 December, 2011 calculated by the Council in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for year for dwellings in those parts of its area to which no special item relates.
- h) Part of the Council's area Band D equiv.

| <u>Parish</u> | <u>Band D Equivalents</u> |
|-------------------------------------|-------------------------------|
| | No. |
| Grantham | 11274.8 |
| Stamford | 7131.8 |
| Bourne | 5005.5 |
| Allington | 359.0 |
| Ancaster | 582.4 |
| Aslackby & Laughton | 113.7 |
| Barholm & Stow | 34.2 |
| Barkston & Syston | 263.6 |
| Barrowby | 726.3 |
| Baston | 543.4 |
| Belton & Manthorpe | 205.0 |
| Billingborough | 485.1 |
| Bitchfield & Bassingthorpe | 58.1 |
| Boothby Pagnell | 64.2 |
| Braceborough & Wilsthorpe | 135.9 |
| Ropsley, Humby, Braceby & Sapperton | 341.3 |

| | |
|--|--------|
| Burton Coggles | 38.8 |
| Careby,Aunby & Holywell | 68.6 |
| Carlby | 212.6 |
| Carlton Scroop & Normanton | 129.1 |
| Castle Bytham | 301.7 |
| Caythorpe | 539.8 |
| Claypole | 505.7 |
| Colsterworth,Gunby & Stainby & N.Witham | 737.9 |
| Corby Glen | 399.7 |
| Counthorpe & Creeton | 34.3 |
| Deeping St James | 2464.9 |
| Denton | 121.4 |
| Dowsby | 62.4 |
| Dunsby | 46.4 |
| Stoke Rochford & Easton | 86.6 |
| Edenham | 113.0 |
| Fenton | 56.0 |
| Folkingham | 299.4 |
| Foston | 218.1 |
| Fulbeck | 220.4 |
| Greatford | 126.1 |
| Great Gonerby | 809.3 |
| Great Ponton | 130.1 |
| Haconby | 194.3 |
| Harlaxton | 338.1 |
| Heydour | 155.5 |
| Honington | 71.6 |
| Horbling | 167.1 |
| Hougham | 79.5 |
| Hough on the Hill | 167.3 |
| Ingoldsby | 115.8 |
| Irnham | 103.7 |
| Kirkby Underwood | 84.1 |
| Langtoft | 752.8 |
| Lenton,Keisby & Osgodby | 66.8 |
| Little Bytham | 112.1 |
| Little Ponton & Stroxton | 70.9 |
| Londonthorpe & Harrowby Without | 1743.3 |
| Long Bennington | 899.3 |
| Market Deeping | 2058.5 |
| Marston | 151.1 |
| Morton | 831.1 |
| Old Somerby | 92.3 |

| | |
|------------------------------|-------|
| Pickworth | 76.3 |
| Pointon & Sempringham | 199.7 |
| Rippingale | 346.8 |
| Sedgebrook | 144.9 |
| Skillington | 137.5 |
| South Witham | 489.5 |
| Stubton | 75.2 |
| Swayfield | 146.7 |
| Swinstead | 89.9 |
| Tallington | 200.8 |
| Thurlby | 816.9 |
| Toft, Lound & Manthorpe | 137.9 |
| Uffington | 316.4 |
| Welby | 77.5 |
| Westborough & Dry Doddington | 152.4 |
| West Deeping | 125.0 |
| Witham on the Hill | 99.9 |
| Woolsthorpe | 152.0 |
| Wyville cum Hungerton | 18.9 |

being calculated by adding to the amount at (g) above the amounts of special item relating to dwellings in those parts of the Council's area, divided in each case by the individual tax bases as recorded in minute 49 in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which special item relates.

- i) The amounts on the attached schedule (Appendix A to Part B), being the amounts given by multiplying the amounts at g) above and h) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in valuation Band 'D', calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.
- j) That it be noted that for the year 2012/13 Lincolnshire County Council has stated the following amounts as a precept issued to the Council in accordance with Section 40 of the Local Government Finance Act, 1992, for each of the categories of dwellings shown below:-

Valuation Band

| A £ | B £ | C £ | D £ | E £ | F £ | G £ | H £ |
|--------|--------|--------|---------|---------|---------|---------|---------|
| 710.46 | 828.87 | 947.28 | 1065.69 | 1302.51 | 1539.33 | 1776.15 | 2131.38 |

- k) That it be noted that for the year 2012/13 Lincolnshire Police Authority has stated the following amounts as a precept issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:-

Valuation Band

| A £ | B £ | C £ | D £ | E £ | F £ | G £ | H £ |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 124.26 | 144.97 | 165.68 | 186.39 | 227.81 | 269.23 | 310.65 | 372.78 |

- l) That, having calculated the aggregate in each case of the amounts at i), j) and k) above, the Council, in accordance with Section 30 (2) of the Local Government Finance Act 1992, hereby sets the amounts in Appendix B to part B as the levels of Council Tax for the year 2012/13 for the categories of dwellings shown in Appendix A to part B.

The Chairman drew Members' attention to papers that had been circulated: a coloured version of the graph on page 12 of report number HOF189: determination of Budget 2012/13 and indicative budgets to 2014/15 – general fund, housing revenue account and associated capital programmes. The second paper was an addendum to Part B of the report, which incorporated the police precept, which had not been determined when the agenda was produced.

The Resources Portfolio Holder presented and moved the Budget proposals for 2012/13, which covered all aspects of the Council's financial operation and was split into the following areas: general fund, Housing Revenue Account (HRA), capital and investment programmes, reserves and balances and management of prudential indicators, incorporating treasury management. The Budget was the second year of a two-year grant settlement; in the future the settlement process was changing with the introduction of the localisation of business rates. The budget process reflected the Council's priorities however it also recognised potential risks to the Budget. Council tax setting was covered in Part B of the report, with a zero Council Tax increase proposed.

The proposed budget would enable the Council to maintain frontline services at the current service level and invest in its priorities. The Portfolio Holder advised members that the General Fund capital programme was ambitious and that a number of major projects would be funded.

Significant changes were being made to the Housing Revenue Account, with the introduction of a self-financing model, which would see the Council take on approximately £122m housing debt. The Council had taken advice from the Chartered Institute of Housing and Sector (the Council's treasury management advisors), and the Resources Policy Development Group had considered and recommended the proposed approach. The Chairman of the PDG was invited to summarised the group's deliberations.

The Chairman of the Resources PDG explained that it had recommended the Council should finance the debt through an eight year maturity loan for £25m, which would assist the short to medium term cashflow of the HRA. Modelling indicated that this approach would save an estimated £9m in interest over the repayment period. It was recommended the remainder of the debt (£97m) should be financed through a 30-year Equal Instalment of Principal (EIP) loan. Interest rates on the transaction day (26 March 2012) would be fixed for the duration of the loan.

The Portfolio Holder thanked the PDG for its work on changes to the HRA. The Council would continue progressing towards rent convergence by 2015/16. Capital investment in the Council's housing stock through the Housing Investment Programme concentrated on achieving and maintaining the 'decent homes standard' for all Council properties.

The seconder of the proposition spoke in favour of the proposed budget, highlighting consultation on priorities, which was carried out across the district, efficiency work undertaken to protect frontline services and how the Council sought effective partnership opportunities to optimise investment. Consultation was also undertaken on charging for the green waste recycling service, which was supported by 72% of those consulted. Some of the Council's achievements were listed and commitment supporting longer-term investment projects was given, including key development in Bourne and Grantham. Other key projects that would be funded included: an in-house apprenticeship programme, improvements to broadband infrastructure, maximising opportunities for affordable homes and introducing a range of arts and cultural activities.

During debate, it was noted that whilst the district council was proposing a zero council tax increase, the precepts for towns and parishes had increased, which would reflect in increased council tax bills. Some concern was expressed over the introduction of charges for the green waste recycling scheme. It was suggested that the Council should publicise the work it was undertaking to support the economy and the investment it had made and was planning to make. The spending profile for the Housing Investment Programme was irregular; officers explained that projections were based on the stock condition survey, which identified when particular elements of properties would require replacement or upgrade.

Councillor Shorrocks proposed an amendment to the budget relating to the development and implementation of Ward budgets. In proposing the amendment, he explained that Ward budgets would give Councillors a means through which they could work with individuals and communities in their Wards to develop local projects based on the area's priorities, promoting community engagement and cohesion. It was suggested this funding could be used to secure match-funding.

Notice was also given of two further amendments he wished to propose.

"The Development and Implementation of Ward budgets

£2000 per councillor

Costs: £116,000 + admin costs on will be 10% to administer and set up.

This will reside in the Corporate area expense specifically democratic and legal

The key reasons for introducing this are:

- Promote community engagement and cohesion
- Develop community led activities
- Develop small community pots that can be used as a basis for match funding.
- Enhances communication between SKDC and the public

It is proposed that this is a two year pilot project monitored and reviewed by the Engagement PDG. To pay for this in the short term funds will be taken from reserves and balances. Engagement PDG should also look at developing appropriate recommendations for inclusion in future budgets.

Total: £132k approx.”

The amendment was seconded.

Reference was made to a similar scheme run by Lincolnshire County Council. Those speaking in favour of the amendment commented on how it would complement the Council’s priorities and the national localism agenda. Particular reference was made to the potential for pump-priming projects and helping local organisations and groups within the current economic climate. An example was given of how local youth services could benefit.

Councillors speaking against the amendment highlighted other funding sources available to community groups, including ‘Awards for All’. Concerns were expressed about whether the funding would be used; referring to the County Council scheme, some Members reported that some county councillors had not been able to spend their allocation.

Those against the amendment also expressed concern about the proposition to fund the project through reserves and balances. A challenge was made, comparing the potential funding of this project and the commitment the Council and already made to fund the LAMS through reserves and balances. The Strategic Director (Corporate Focus) explained that under LAMS the money would be deposited with Lloyds Bank plc and a return was expected.

Discussion ensued on the funding across Wards with different numbers of Councillors. Members speaking against the amendment highlighted the disparity in funding, while those speaking in favour highlighted the greater number of residents in multi-Member Wards.

The amendment was put to the vote and lost.

Councillor Shorrocks proposed his second amendment:

“Community Group Development fund.

Develop a grant funding pot and to pay for expertise to support groups in making

bids for grant funding. The fund could also be used to support groups and organisations. The key reasons for introducing this are:

- Build voluntary sector capacity to play a credible role in service provision
- Recognise the impact of austerity on these organisations and protect their social value during this period .
- Support and facilitate the role they can play in the economic growth of the district.

This combination of direct grants and staff fundraising support to organisations will be critical in building capacity of the sector to enable them to survive and deliver services during this period of austerity. Of key concern is the ability of groups to compete for grant funding in competition with organisations that employ professional fundraisers. Increasing competition for a smaller point of funding is a significant threat to those organisations that do not have this capacity.

In addition, this will support the Council's community engagement remit and enable community groups to develop effective fundraising strategies. We would propose that the councils seeks to work in partnership with the SLCVS to deliver this project.

It is proposed that funding will come from carpark revenues. It is proposed that these estimates for these revenues are adjusted to take into account new charges for Bourne car parks. These charges should be set in accordance with option 1 from report CHFR123 (9TH OCTOBER 2008) With the appropriate uprating, this places Bourne carparking charges on a comparable rate with Grantham and Stamford.

Total: £250K (the level of funding each year should be tied to a formula related to revenues generated through car parks)"

Councillor Shorrocks explained that he was proposing the amendment as a means through which the Council could support voluntary sector and community groups that had been affected by cuts to grant funding. He commented on increased competition for grant-funding and the impact of larger charitable organisations that employed full-time fund-raisers. He stated that these organisations were required to deliver frontline services more often and the example of foodbank was given. It was proposed the project should be funded through car parking receipts, and, so that all parts of the district contributed, car parking charges for Bourne should be introduced. It was proposed that ongoing funding of the scheme should be based on a formula applied to car parking receipts across the district. The amendment was seconded.

Councillors speaking in favour of the amendment highlighted the work that was being undertaken by the voluntary and community sector and the funding of community projects through local revenue.

Speaking against the amendment, Councillors highlighted a £105k p.a. spend in support of the South Lincolnshire Community and Voluntary Service (which supported the voluntary and community sector in raising funds) and the Citizen's Advice Bureau, which

gave advice to residents. The Council also secured funding for debt welfare and advice services. Reference was also made to the proposed financing model; work undertaken on the viability of introducing car parking charges in Bourne indicated that it would take five years to recoup the cost of introducing any scheme.

On being put to the vote, the amendment was lost.

Councillor Shorrocks proposed his third amendment, which was seconded:

“Business and Economic Incubation – Grantham

A business incubator is part of the local plans for Grantham. However, the realisation of these plans is still not clear, and we cannot wait that long. Economic growth remains critical and the current government’s abolition of the RDAs and as a consequence the cutting back on Business Link services to merely a website means that there is little direct support s new businesses can get to start, survive and grow.

We propose a seed funding grant pot of £300k.

In addition to this we would ask the provision of in-house expertise and the identification of premises that could be used to incubate these businesses in the first 6-9 months of their lives. We would also propose links with partners including the Business Clubs and training and development to develop a cost effective package supporting these fledgling businesses. The package could include:

- Reduced price or free premises for 6 month
- Seed funding to support product development, testing and marketing.
- Advice and support
- Integrated Web marketing.
- Link up with complementary business to look at shared cost models.

The value of this approach is that provides, albeit in a limited way, a safety net for new businesses to test markets before making costly decisions about premises or plant. Links with training providers the opportunity to source and develop training and development of skills and qualifications. It provides a direct investment in business growth for the district.

We would seek to use funding from balances and reserves to do this as a short term measure to provide a model of provision for the Business Incubator comes on-line with Grantham’s plans for development.

Total: £300k”

Councillor Shorrocks introduced his amendment and explained it complemented the ‘Grow the economy’ and ‘Grantham Growth’ priorities and action detailed in the corporate plan. He expressed concerns about indefinite timescales in delivering a business incubation centre for Grantham as part of the Station Approach project. The difficulties faced by new businesses were highlighted; the aim of the amendment was the

improved viability of new businesses.

Councillors in favour of the amendment commented on the importance of encouraging new businesses to grow the economy and potential opportunities to fill empty retail units in Grantham town centre. The success of business to business events was noted, however, Councillors felt more should be done to promote opportunities presented by the area outside the district. One Councillor quoted an increase in youth unemployment (16-24) of 143% and suggested supporting the amendment was one means through which this rate could be improved.

The Economic Development Portfolio Holder explained that timelines for the business incubation centre were available and had been developed in conjunction with a funding bid that was submitted to the European Regional Development Fund. If the bid for funding was successful, payment would be dependent on the successful completion of the project within specific deadlines. If the bid was not successful, SKDC had committed to funding the project. DeMontfort University had expressed an interest in the business incubation centre; they were also linked with five further universities. She also commented that a major leaser of retail space in Grantham had all its units occupied.

On being put to the vote, the amendment was lost.

The Resources Portfolio Holder, in summing up, thanked everyone who had been involved in the preparation of the budget and commended it to Council for adoption.

The vote on the budget was taken in the sections highlighted in report HOF189.

- Part A, recommendations a to c were put to the vote and carried
- Part A, recommendations d to i were put to the vote and carried
- Part A, recommendations j to l were put to the vote and carried
- Part A, recommendation m was put to the vote and carried
- Part A, recommendation n was put to the vote and carried
- Part B, recommendations a to l were put to the vote and carried

16:10-16:29 The meeting adjourned

67. LOCALISM ACT

Decision:

The Council approves the pay policy statement as appended to report number LDS056

The Head of Legal and Democratic Services explained the report summarised the provisions of the Localism Act that were in force and provided an overview in relation to housing and planning. The Council was asked to approve the pay policy statement that formed appendix 1 to the report.

Recommendation 1.2 in report number LDS056 was proposed, seconded and on being put to the vote, approved.

68. SKIN PIERCING

Decision:

1. **The Council adopts sections 14 to 17 of Part VIII of the Local Government (Miscellaneous Provisions) Act 1982 (as amended by the Local Government Act 2003) to come into force on 1 May 2012 within the administrative area of South Kesteven District Council for the proper regulation of persons carrying out the practices of acupuncture, tattooing, semi-permanent skin-colouring, cosmetic piercing and electrolysis**
2. **That the combined byelaws set out at Appendix A of report ENV555 for acupuncture, tattooing, semi-permanent skin colouring, cosmetic piercing and electrolysis be adopted**
3. **That the Head of Environmental Health Services be authorised to take all necessary steps in connection with the making of the byelaws, including the giving of proper notice and applying to the Secretary of State for Health for confirmation**
4. **Environmental Services should introduce a registration/application process when dealing with establishments carrying out practices in accordance with the byelaws that include:**
 - **Details of how records will be kept and what they will include**
 - **Parents/carers/guardians should be present at procedures performed on those under 18 years**

An updated set of recommendations was circulated. The Healthy Environment Portfolio moved the amended recommendations. He explained that the draft report had been considered by the Communities Policy Development Group and Cabinet before its presentation to Council for adoption. The proposed byelaw would protect members of the public from unregulated persons conducting skin piercing activity. If adopted by Council, the proposed byelaw would be submitted to the Secretary of State for Health for confirmation. The proposition was seconded.

The Environmental Health Service Manager stated that there had been an increase in skin piercing activity. The byelaw, which would give the Council increased powers over the widening scope of skin piercing activity, was tied with increasing concern about blood-borne diseases.

On being put to the vote, the motion was carried.

69. FAIR TRADE

Reverend Andy Scholes gave a presentation on Fairtrade and Grantham becoming a Fairtrade town.

Fairtrade was an international system of labelling that meant buyers have met criteria including paying producers a sustainable minimum price for their goods and paying a premium on top of the price for investment in social,

environmental and economic development projects. In the UK, the Fairtrade Foundation, which was an independent non-profit organisation, was established in 1992. The organisation licenced use of the Fairtrade mark on products in the UK in accordance with internationally agreed Fairtrade standards.

In 2000, Garstang became the first Fairtrade town. There were over 500 Fairtrade towns in the UK. There were five required steps for a town to become a Fairtrade town:

1. Council must pass a resolution
2. Buy-in from commerce – retail and catering
3. Community groups
4. Coverage and consensus
5. Steering group

During February and March 2011, an exhibition was held in the George Centre, Grantham which gave people an opportunity to express their interest. There was a further opportunity for people to express their support at an interest evening held in September 2011. A steering group was created in January 2012, which included representatives from different organisations across Grantham. Various retail and catering outlets had already been identified as offering fair trade products. A number of local community groups also supported the Fairtrade agenda. Two secondary schools in Grantham were working towards Fairtrade school status.

Councillors were invited to put questions to Reverend Scholes. The following points were covered:

- The premium was used to support community initiatives, which could fund healthcare, education, farm improvements to increase yield and quality, or processing facilities to increase income
- Other local Fairtrade towns/areas include: Melton Mowbray, Sleaford, Rutland and South Holland
- Some authorities had made savings by changing vending machines to Fairtrade vending machines
- The motion that Council would consider stated that Fairtrade products should not replace any existing provision, but should complement it
- A Council resolution was necessary for a town to become a fair trade town

Reverend Scholes was thanked for attending the meeting and giving his presentation.

70. NOTICES OF MOTION GIVEN UNDER COUNCIL PROCEDURE RULE 12:

Decision:

This Council welcomes the initiatives by the Grantham Fairtrade Steering

Group to encourage the development of Grantham in becoming a Fairtrade town.

South Kesteven District Council as an important customer and opinion leader supports a strategy to facilitate the promotion and purchase of refreshments with the Fairtrade Mark as part of its commitment to sustainable development.

To support, as an active partner with the Grantham Fairtrade Steering Group and to be recognised by the residents and business community of South Kesteven, suppliers, employees and other local authorities, as a district that supports and promotes Fairtrade.

South Kesteven District Council endorses the campaign to increase sales of products with the Fairtrade Mark by achieving Fairtrade Town Status. This involves a commitment:

- **To offer Fairtrade refreshment options alongside the current options for internal meetings**
- **To recognise and encourage the voluntary use of Fairtrade products by officers and elected members of South Kesteven District Council**
- **To promote awareness of Fairtrade issues and the opportunities for supporting Fairtrade in the area through the Council's website and residents' magazine**
- **To support the Grantham Fairtrade Steering Group by endorsing its intention to urge local retailers to provide Fairtrade options for residents**
- **To participate, wherever practicable, in events and publicity during national Fairtrade Fortnight**

Councillor Selby proposed the motion:

“This Council welcomes the initiatives by the Grantham Fairtrade Steering Group to encourage the development of Grantham in becoming a Fairtrade town.

South Kesteven District Council as an important customer and opinion leader supports a strategy to facilitate the promotion and purchase of refreshments with the Fairtrade Mark as part of its commitment to sustainable development.

To support, as an active partner with the Grantham Fairtrade Steering Group and to be recognised by the residents and business community of South Kesteven, suppliers, employees and other local authorities, as a district that supports and promotes Fairtrade.

South Kesteven District Council endorses the campaign to increase sales of products with the Fairtrade Mark by achieving Fairtrade Town Status. This involves a commitment:

- To offer Fairtrade refreshment options for internal meetings
- To encourage the use of Fairtrade products by officers and elected members of South Kesteven District Council
- To promote awareness of Fairtrade issues and the opportunities for supporting Fairtrade in the area through the Council's website and residents' magazine
- To support the Grantham Fairtrade Steering Group by endorsing its intention to urge local retailers to provide Fairtrade options for residents
- To participate, wherever practicable, in events and publicity during national Fairtrade Fortnight"

The motion was seconded.

In presenting his motion Councillor Selby thanked Reverend Scholes for his presentation and the steering group for its hard work. He felt that in Councillor Mrs Neal's seconding of the motion, there was a clear demonstration of putting party politics to one side to take an opportunity to promote the whole Council and its work in a positive light. He did not consider that Grantham becoming a Fairtrade town would impact on local farmers, as many of the range of Fairtrade products like tea, coffee, bananas and mangos could not be produced locally.

In seconding the motion, the Leader stated that this was an opportunity for the Council to be seen as doing the right thing. She stated that without the support of Council, Grantham could not become a Fairtrade town.

Councillor Adams proposed an amendment to the motion:

"This Council acknowledges the initiatives by the Grantham Fairtrade Steering Group to encourage the development of Grantham in becoming a Fairtrade town."

In proposing the amendment, Councillor Adams requested that the issue be referred to the Scrutiny Committee or relevant policy development group to further examine what the resolution would entail if approved. Concern was expressed that in adopting the motion, the Council could, by inference, be forcing other parts of the district into becoming Fairtrade towns and villages. This was seconded, and in doing so, the importance of examining the wording and its impact was emphasised. The impact on producers working with manufacturers in other countries (including Romania and the Czech Republic), was also highlighted.

Councillors speaking against the amendment highlighted that the original motion stated that a Fairtrade option should be available but not replace existing provision. The opportunities of promoting Grantham as a Fairtrade Town to residents, visitors and businesses, were also highlighted.

The amendment was put to the vote, where an equality of votes was achieved. The chairman used his casting vote to vote against the amendment, which was consequently lost.

A further amendment was proposed and seconded that the first two bullet points of the original motion be amended to read:

- “To offer Fairtrade options alongside the current options for internal meetings
- To recognise the voluntary use of Fairtrade products by officers and elected members of South Kesteven District Council”

Councillor Selby stated he was prepared to incorporate the amendment into his motion so the bullet points would read:

- “To offer Fairtrade refreshment options alongside the current options for internal meetings
- To recognise and encourage the voluntary use of Fairtrade products by officers and elected members of South Kesteven District Council”

This was acceptable to the proposer of the amendment.

On being put to the vote, the motion was carried.

In accordance with Council Procedure rule 9, as the meeting was nearing being in progress for three hours, it was proposed and seconded that the meeting be extended to 18:00. On being put to the vote, this was carried.

It was further proposed that the remaining notices of motion be deferred until the next proper meeting of the Council (the meeting after the annual general meeting). This was seconded and on being put to the vote the motion was carried.

71. CLOSE OF MEETING

The meeting was closed at 17:23.