

MINUTES

COUNCIL

FRIDAY, 1 MARCH 2013

2.00 PM



PRESENT

Councillor Mrs Rosemary Kaberry-Brown Chairman

Councillor Bob Adams
Councillor Ray Auger
Councillor Jean Bevan
Councillor Harrish Bisnauthsing
Councillor Pam Bosworth
Councillor Robert Broughton
Councillor Teri Bryant
Councillor Paul Carpenter
Councillor Mrs Frances Cartwright
Councillor Ibis Channell
Councillor Michael Cook
Councillor Kelham Cooke
Councillor Nick Craft
Councillor Alan Davidson
Councillor Phil Dilks
Councillor Breda Griffin
Councillor David Higgs
Councillor Reginald Howard
Councillor Jock Kerr
Councillor Vic Kerr
Councillor Michael King
Councillor Charmaine Morgan
Councillor David Nalson

Councillor Mrs. Linda Neal
Councillor John Nicholson
Councillor Nick Robins
Councillor Graddon Rowlands
Councillor Bob Russell
Councillor Bob Sampson
Councillor Trevor Scott
Councillor Ian Selby
Councillor John Smith
Councillor Mrs Judy Smith
Councillor Jacky Smith
Councillor Peter Stephens
Councillor Ian Stokes
Councillor Adam Stokes
Councillor Brenda A Sumner
Councillor Mike Taylor
Councillor Mrs Jean Taylor
Councillor Jeff Thompson
Councillor Bruce Wells
Councillor Martin Wilkins
Councillor Paul Wood
Councillor Rosemary H Woolley
Councillor Raymond Wooten

OFFICERS

Chief Executive (Beverly Agass)
Strategic Director (Daren Turner)
Strategic Director (Ian Yates)
Head of Legal and Democratic Services
(Lucy Youles)
Head of Finance (Richard Wyles)
Head of Housing and Neighbourhoods
(Ian Richardson)

OFFICERS

Head of Community Assets (Paul
Stokes)
Finance Support Manager (Finance and
Risk) (David Scott)
Human Resources and Organisational
Development Service Manager (Joyce
Slater)
Principal Democracy Officer (Jo Toomey)

61. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Ashberry, Chivers, Parkin, Powell, Bob Sandall, Susan Sandall, Shorrocks, Judy Stevens and Turner.

62. DISCLOSURE OF INTERESTS

No interests were disclosed.

63. MINUTES OF THE MEETING HELD ON 13 DECEMBER 2012

It was proposed and seconded that the minutes from the meeting held on 13 December 2012 be agreed as a correct record. This was put to the vote and carried.

64. COMMUNICATIONS (INCLUDING CHAIRMAN'S ANNOUNCEMENTS)

The Council noted the Chairman's engagements.

65. DETERMINATION OF BUDGET 2013/14 (AND INDICATIVE FOR 2014/15 AND 2015/16) - GENERAL FUND, HOUSING REVENUE ACCOUNT AND CAPITAL PROGRAMME AND PAY POLICY STATEMENT

DECISION:

The Council resolves:

PART A

In relation to the General Fund (Revenue)

- a. to approve the original base estimate for 2013/14 and indicative base estimates for 2014/15 and 2015/16 and to set a General Fund budget requirement of £14.068M for 2013/14 (inclusive of special expenses) including the additional items listed at Appendix B and the savings listed at Appendix C as detailed in the summary at Appendix A page 1;
- b. to approve a Council Tax increase of £5 (for a Band D equivalent) for 2013/14 (including special expense areas) at Appendix A page 2;
- c. to approve increases in Fees and Charges for 2013/14 as set out at Appendix D

In relation to the Housing Revenue Account (HRA)

- d. to set dwelling rent increases in accordance with Government guideline rent providing an average rent of £74.32 (and an average rental increase of 4.57% or £3.24 per week)
- e. to set an increase in garage rents of 2.6%

- f. to increase service charges by 2.6%
- g. to approve the Housing Revenue Account for the year 2013/14 (including the items at Appendix E in the report) and indicative years 2014/15 and 2015/16 shown at Appendix F

In relation to Capital and investment Programmes

- h. to approve the General Fund Capital programme for 2013/14 to 2017/18 detailed at Appendix G page 1
- i. to approve the indicative Housing Investment programme for 2013/14 to 2017/18 detailed at Appendix G page 2
- j. to approve the Capital Financing statement detailed at Appendix G page 3

In relation to the Reserves and balances

- k. To approve the use of the reserves as detailed at Appendix H

With reference to both the recent national publicity concerning the statue of Baroness Thatcher and its possible location and the article in today's Grantham Journal could the officers of the authority be asked to revise the existing plans to commemorate Baroness Thatcher and report back to Cabinet.

Management and prudential indicators

- l. to approve the Treasury Management Strategy provided at Appendix I;

Pay Policy Statement

- m. to approve the pay policy statement shown at Appendix J

PART B

That the Council, in accordance with the requirements set out in paragraphs 32 to 36 of the Local Government Finance Act 1992, as amended (the "Act") adopts the following formal recommendations:-

- 1) That the following amounts be calculated by the Council for the year 2013/14 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992 (as amended)
 - a) £83,806,000 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) £68,455,000 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) £15,351,000 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) £7,798,000 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) £172.50 being the amount at c) above less the amount at d) above, all divided by the Council's tax base of 43,786.7 as recorded in minute 38 of the cabinet meeting of 21 January 2013, in accordance Section 33(1) of the Act, as the basic amount of its Council Tax for the year 2013/2014.
- f) £1,971,500 being the aggregate amount of all special items referred to in Section 34(1) of the Act.
- g) £127.47 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 21 January 2013, 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 Adjusted Band D equiv.

<u>Parish</u>	<u>Adjusted Band D Equivalents</u>
	No.
Grantham combined	10,295.8
Stamford combined	6,513.9
Bourne Combined	4,686.1
Allington	339.9
Ancaster	539.7
Aslackby	102.1
Barholm & Stowe	35.1
Barkston and Syston combined	248.2
Barrowby	677.3

Baston	517.3
Belton & Manthorpe	195.4
Billingborough	444.4
Bitchfield	55.4
Boothby Pagnell	60.9
Braceborough & Wilsthorpe	133.7
Ropsley, Humby, Braceby, Sapperton combined	312.0
Burton Coggles	37.2
Careby	64.0
Carlby	204.1
Carlton Scroop and Normanton combined	121.7
Castle Bytham	290.9
Caythorpe & Frieston	505.0
Claypole	490.1
Colsterwoth, Gunby & Stainby, North Witham combined	699.2
Corby Glen & Birkholme	380.8
Counthorpe & Creeton	31.9
Deeping St James	2,314.6
Denton	117.7
Dowsby	59.4
Dunsby	43.3
Stoke Rochford and Easton combined	80.5
Edenham	103.8
Fenton	56.5
Folkingham	277.7
Foston	205.4
Fulbeck	209.8
Greatford	124.8
Great Gonerby	738.2
Great Ponton	124.8
Haconby & Stainfield	183.7
Harlaxton	313.9
Heydour	145.9
Honington	66.2
Horbling	155.5
Hougham	75.4
Hough-on-the-Hill	157.8
Ingoldsby	108.6
Irnham	99.1
Kirkby Underwood	81.4
Langtoft	714.2

Lenton	65.6
Little Bytham	103.5
Little Ponton & Stroxton	66.7
Londonthorpe & Harrowby without combined	1,627.1
Long Bennington	856.4
Market Deeping	1,955.8
Marston	145.3
Morton & Hanthorpe	775.2
Old Somerby	84.8
Pickworth	72.3
Pointon	190.9
Rippingale	325.7
Sedgebrook	139.7
Skillington	126.0
South Witham	445.3
Stubton	72.3
Swayfield	142.4
Swinstead	80.2
Tallington	188.8
Thurlby	770.9
Toft Lound & Manthorpe	130.4
Uffington	300.9
Welby	74.1
Westborough & Dry Doddington	144.8
West Deeping	115.5
Witham-on-the-Hill	94.8
Woolsthorpe	134.4
Wyville cum Hungerton	16.7

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 40 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 2013/14 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 2013/14 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 £
126.72	147.84	168.96	190.08	232.32	274.56	316.80	380.16

- 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 2013/14 for the categories of dwellings shown in Appendix A to part B.

The Leader of the Council proposed the Budget as presented in report number HOF225. She moved recommendations a to c in relation to the General Fund (Revenue), d to g in relation to the Housing Revenue Account, h to j in relation to capital and investment programmes, k in relation to reserves and balances, l in relation to management and prudential indicators and m in relation to the pay policy statement. She also moved recommendations a to l at Part B of the report (as per the addendum circulated at the meeting) in relation to Council Tax setting.

In proposing the recommendations, the Leader stated that the proposals in the Budget for 2013/14 would help the Council continue to deliver against its priorities. She highlighted a number of key achievements from 2012/13 including the Gravity Fields Festival, improvements to Grantham Marketplace and Westgate and the shop front

scheme in Grantham and Bourne, Wherry's Lane in Bourne and the Local Authority Mortgage Scheme. She also highlighted future projects including a Georgian festival, which would take place in Stamford in 2013; extending the business hardship fund; rolling out the shop front scheme to Stamford; investing in broadband infrastructure and a commitment to fund the shortfall in respect of Deepings Leisure Centre until 2016 following the withdrawal of funding by Lincolnshire County Council.

The Portfolio Holders for Strategic Resources – Well Run Council and Good Housing for All each seconded the recommendations relating to their Portfolio. They talked about presenting a budget that provided for growth and protected frontline services while acknowledging the national economic position and welfare reform measures. The changes to the way in which local government was funded through the business rate retention scheme and its associated measures were also highlighted.

The Strategic Resources – Well Run Council Portfolio Holder referred to a one-year only exemption that was given to the Council to increase its council tax above the 2% national cap. The Good Housing for All Portfolio Holder added that a programme to build 30 new council homes would begin in 2013 and this would be complemented by working in partnership with registered social landlords to increase the social housing offer and bring empty properties back into use. He also referred to programmes that were improving the energy efficiency of council properties which would continue into 2013/14.

An amendment was proposed and seconded:

“With reference to both the recent national publicity concerning the statue of Baroness Thatcher and its possible location and the article in today’s Grantham Journal could the officers of the authority be asked to revise the existing plans to commemorate Baroness Thatcher and report back to Cabinet.”

The proposer and seconders of the original motion agreed to incorporate the amendment within the proposition.

An amendment to the proposition was proposed and seconded:

“In order to attract international visitors to Grantham it is proposed that a statue/bust of Lady Margaret Thatcher is to be displayed in an appropriate secure setting as part of an integral exhibition reflecting her controversial life, recognising also the impact she has made at a national and international level.

It is proposed that the bust be either located in the Grantham Museum, or, in an alternative secure setting where the bust and associated exhibit can be displayed.

Having considered a number of options it is proposed that an open competition will be held which local educational establishments will be encouraged to participate in.

Collaborative projects will be encouraged.

*The prize fund for the winning entry bust/statue will be £15,000.
The prize fund for the winning associated exhibition stand will be £1000*

All entries will be included in a special exhibit at the end of the competition. The prize money will be allocated from the General Fund which has available revenue of £2m.”

Comments made by Councillors speaking on the amendment made reference to recent press coverage relating to the marble bust of Baroness Thatcher and her role as a famous daughter of Grantham. Some Councillors felt that while she was a controversial figure and regardless of political beliefs, her life and achievements should be celebrated. It was also suggested that a statue could help increase tourist interest in the town. Members of Council were reminded of the amendment that had already been incorporated within the proposition. The Section 151 Officer advised the Council that the amendment related to recommendation k in Part A of report number HOF225.

The amendment was put to the vote and lost.

Several members spoke on the substantive motion, expressing support for the budget.

One speaker said that he did not feel the budget had gone far enough to mitigate the effects of welfare reform and proposed an amendment, which was seconded:

“This council recognises that due to the financial circumstances of many Council and Housing Association tenants in receipt of Housing Benefit many may not be prepared for the need to move home as a result of the changes being implemented. Where it is identified that a tenant wishes to move in order to avoid arrears, and, that the move is compliant with SKDC rules regarding Housing Transfer or Mutual Exchange, or the tenant is moving into private accommodation, it is proposed to provide practical assistance to Council tenants concerned, to facilitate the house move.

The exact number of tenants who may opt to move is not known. Therefore an estimate has been made that 20% of 1057 Council households will be required to move, and need assistance as a result of the Housing Benefit rule. It is noted that an additional unknown number of Housing Association and Social Landlord tenants may be affected. These tenants will also be entitled to Moving Assistance.

Based on an average removal quotation for a 3 bedroom home within the same town it is proposed that a maximum sum of £400 (excl VAT) will be provided to householders identified by officers as requiring assistance. It is proposed that 211 households may require assistance being 20% of all households affected. This equates to £84,000 (excl VAT).

In extraordinary cases, at the Officers discretion e.g. where the occupant is disabled, or, has a serious medical condition, further assistance with packing costs will also be provided to an additional maximum of cost of £400 (excl VAT).

*Taking into account operational needs and known allocated spend the Housing Revenue Account has estimated non-allocated reserve of £1m. It is proposed that we remove the funds required of **£84,000** from the HRA Working Balance Reserve, which currently stands at forecast amount of £8.9m. This would enable us to ensure an appropriate and acceptable level of Working Balance. This proposal would not compromise that level.”*

Those speaking in favour of the amendment highlighted potential impacts of housing benefit changes and said that they felt the Council should have a fund to support those forced to move as a consequence of this. They expressed concern about the impact of the changes on tenants who fell into arrears and would therefore be prevented from moving. The Head of Housing informed Councillors that provision to support removal costs and advice for tenants had been made in the proposed Budget for 2013/14. Where possible council officers were trying to identify properties into which households identified as overpopulated could move and broker swaps with people not on benefit and looking to move to a larger property.

The Section 151 officer clarified that the amount to fund a scheme like this was £84k and would affect recommendation k on the use of reserves and recommendation g which related to the Housing Revenue Account (HRA). He also clarified that funding from the HRA could only be used to support tenants in council properties; tenants of other registered social landlords were not eligible to receive any support through the HRA.

The amendment was put to the vote and lost.

A further amendment was proposed and seconded:

“It is proposed to use unallocated funds in the Housing Revenue Account to increase the existing Discretionary Housing Payment (DHP) to enable SKDC officers to provide both advice and also practical assistance to residents at risk of arrears and homelessness. The fund will be used at the officer’s discretion with the aim of protecting the tenant from arrears, which will limit future options for the tenant, or homelessness. It will provide a period of grace whilst the tenant’s situation is being assessed/managed until a satisfactory resolution during the first year of the implementation of the Benefit changes.

*Taking into account operational needs and known allocated spend the Housing Revenue Account has estimated non-allocated reserve of £1m. It is proposed that we remove the funds required of **£189,828** from the HRA Working Balance, which currently stands at forecast amount of £8.9m. This would enable us to ensure an appropriate and acceptable level of Working Balance. This proposal would not compromise that level. The funds identified assume that 30% of tenants affected, whether living in homes with one or more bedrooms above their required accommodation, will require assistance.”*

Councillors who spoke in support of the motion again highlighted the potential impacts of the housing benefit changes and said that while they felt the budget went some way to help people in desperate need, it did not provide a sufficient cushion to see them through

that period without falling into arrears. They highlighted that if a tenant fell into arrears they would be prevented from moving to a smaller property even if they wanted to. The amendment would create a fund which would form part of the discretionary fund for housing officers to mitigate the impact of the changes. The Head of Housing restated that funding had been budgeted to support residents affected by housing benefit changes and because the potential impact of the legislation was unknown, the balance of funding through direct support against officer time was scalable.

Provision within the proposed budget was highlighted by Councillors who spoke against the amendment, together with pressures on local government funding in coming years.

The deputy Section 151 officer advised members that the amendment would affect recommendation k of Part A of the budget as it affected the use of reserves, and recommendation g because it affected the Housing Revenue Account.

The amendment was put to the vote and lost.

15:41 to 15:58 – the meeting adjourned

On the resumption of the meeting, it was proposed and seconded in accordance with council procedure rule 14.10(iv) that the question be now put.

As the proposer of the original motion, the Leader was given the opportunity to sum up. She highlighted the national economic position and stated that additional funding proposed through the amendments would mean that continued support would become unaffordable. Reference was made to the local council tax support scheme, which had been approved at a previous meeting of the Council. She added that despite difficult financial circumstances the district had succeeded in creating opportunities for local people, citing the local authority mortgage scheme. She also mentioned measures within the proposed budget that were designed to support and protect the most vulnerable giving the example of the council tax hardship fund, the pilot scheme that would support families affected by welfare reform measures and continued funding of the Citizen's Advice Bureau and other voluntary bodies.

A vote was taken on the proposal that the question be now put, which was carried. It was suggested that a single vote take place on the budget which covered parts A and B. All recommendations in Part A and B (incorporating the addition relating to a statue of Baroness Thatcher) were put to the vote and carried.

66. CONTRACT PROCEDURE RULES

Decision:

- 1. Council approves the updated Contract and Procurement Procedure Rules in relation to supporting local suppliers up to the contract value of £25,000***
- 2. Council approves the definition of local supplier as: 'suppliers whose trading premises are located within Lincolnshire and/or a 20***

mile radius of the county of Lincolnshire's boundary'

The Head of Finance summarised report number HOF222 on the updating of the Contract and Procurement Procedure Rules. The proposed revisions had been considered by the Governance and Audit Committee at its meeting on 6 December 2012 at which members endorsed an initiative to support local suppliers. For contracts with a value of up to £25,000, seeking a quote from a local supplier (a supplier in Lincolnshire or within 20 miles of its border) would become part of the procurement specification.

The recommendations in the report were proposed and seconded. The Governance and Audit Committee were thanked for their deliberations and recommendations. On being put to the vote, the motion was carried.

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

Decision:

That this Council supports the motion:

Members have before them a copy of a letter from the End Fuel Poverty Coalition and a copy of the proposed commitment. Fuel poverty is a growing issue and recent energy price rises could force many more households into fuel poverty. Energy efficiency improvements to homes are the most effective means to take people out of fuel poverty in the medium to long term. £4 billion will be raised each year for the next 15 years from the European Emissions Trading Scheme and the Carbon Floor Price. The funding from carbon taxes could potentially take 9 out of 10 fuel poor households out of fuel poverty if spent on improving the energy efficiency standards on their homes.

Taking into account the content of the letter and the commitment, this Council resolves to:

- ***Support the End Fuel Poverty Coalition's local authority fuel poverty commitment***
- ***Support the Energy Bill Revolution's campaign call for carbon taxes to be spent on reducing fuel poverty***

Councillor Mrs Linda Neal proposed the motion:

Members have before them a copy of a letter from the End Fuel Poverty Coalition and a copy of the proposed commitment. Fuel poverty is a growing issue and recent energy price rises could force many more households into fuel poverty. Energy efficiency improvements to homes are the most effective means to take people out of fuel poverty in the medium to long term. £4 billion will be raised each year for the next 15 years from the European Emissions Trading Scheme and the Carbon

Floor Price. The funding from carbon taxes could potentially take 9 out of 10 fuel poor households out of fuel poverty if spent on improving the energy efficiency standards on their homes.

Taking into account the content of the letter and the commitment, this Council resolves to:

- *Support the End Fuel Poverty Coalition's local authority fuel poverty commitment*
- *Support the Energy Bill Revolution's campaign call for carbon taxes to be spent on reducing fuel poverty*

Councillor Mrs Neal commended the motion to all members and asked for their support. In seconding the motion, the Good Housing for All Portfolio Holder reminded members of the Council's previous and future spending commitment in respect of improving energy efficiency and noted that the motion aligned with Council priorities. The motion was put to the vote and carried.

68. CLOSE OF MEETING

The meeting was closed at 16:16.