

AGENDA



For a meeting of the
COUNCIL
to be held on
THURSDAY, 23 NOVEMBER 2017
at
2.00 PM
in the
COUNCIL CHAMBER - COUNCIL OFFICES, ST. PETER'S HILL, GRANTHAM. NG31 6PZ
Aidan Rave, Chief Executive

Members of the Council are invited to attend the above meeting to consider the items of business listed below.

For those Councillors who wish to attend, prayers will be held in the Council Chamber at 1:55pm before the commencement of the meeting. Please be seated by 1:50pm.

1 PUBLIC OPEN FORUM

The public open forum will commence at **2.00 p.m.** and the following formal business of the Council will commence at **2.30 p.m.** or whenever the public open forum ends, if earlier.

2 APOLOGIES FOR ABSENCE

3 DISCLOSURE OF INTERESTS

Members are asked to disclose any interests in matters for consideration at the meeting.

4 MINUTES OF THE MEETING HELD ON 21 SEPTEMBER 2017
(Pages 4 - 12)

(Enclosure)

5 COMMUNICATIONS (INCLUDING CHAIRMAN'S ANNOUNCEMENTS)
(Page 13)

(Enclosure)

6 REPORT OF THE WELLAND INDEPENDENT REMUNERATION PANEL
(Pages 14 - 30)

Report number LDS247 of the Chairman of the Independent Remuneration Panel. (Enclosure)

7 AMENDMENTS TO BUDGET FRAMEWORK 2017/18 (Pages 31 - 37)

Report number CFM443 of the Cabinet Member for Finance. (Enclosure)

8 RECOMMENDATIONS FROM THE CONSTITUTION COMMITTEE

Report of the Chairman of the Constitution Committee. (To follow)

9 THE LEADER'S SCHEME OF DELEGATION (Pages 38 - 44)

Report number LDS246 of the Leader of the Council. (Enclosure)

10 MEETINGS OF THE CABINET (Pages 45 - 285)

Report number LDS248 of the Leader of the Council. (Enclosure)

11 APPOINTMENT OF THE ASSISTANT DIRECTOR FOR HOUSING

(To follow)

12 MEMBERS' OPEN QUESTIONS

A 45-minute period in which members may ask questions of the Leader, Cabinet Members, the Chairmen and Vice-Chairmen of the Overview and Scrutiny Committees and opposition group leaders excluding the Chairman and Vice-Chairman of the Development Management Committee, Licensing and Alcohol, Entertainment and Late Night Refreshment Licensing Committees and Governance and Audit Committee.

13 NOTICES OF MOTION GIVEN UNDER ARTICLE 4.9:

(a) Councillor Charmaine Morgan

Grantham is one of the largest towns in Lincolnshire and yet has no directly elected representation.

It is time to give the people of Grantham a voice.

We call upon South Kesteven District Council to undertake a Community Governance Review for the purpose of establishing a Grantham Town Council.

(b) Councillor Ashley Baxter

This Council pledges to hold at least one formal meeting (e.g. an OSC meeting) in each of the 3 smaller towns (Stamford, Bourne and Market Deeping) during each calendar year.

The Council mandates the Chief Executive to liaise with relevant Members and Officers to organise suitable dates and venues.

(c) Councillor Ashley Baxter

Consultation on proposals for changes to Gaming Machines

and Social Responsibility Measures.

Problem gambling rates in the UK have increased from 0.6% of the population in 2012 to 0.8% of the population in 2015. Around a further 2 million people were identified as being at risk of problem gambling.

The Government is also concerned about the potential harm being caused to vulnerable people which would not be reflected in headline problem gambling rates. Gambling-related harm goes wider than the harm experienced by those identified as problem gamblers and also affects families of gamblers, their employers, communities and society more widely.

The government has recently launched a 12-week consultation on gambling issues.

Recommendations:

- 1) This Council will respond to the above-mentioned current DCMS consultation on gambling.
- 2) The Council's response will include:
 - a) in response to the Question 1 concerning B2 machines (FOBTs), that this Council expresses support in favour of Option 4 which is to reduce the maximum stake from £100 down to £2.
 - b) in response to Question 10, that this Council supports the government's proposals to bar contactless payments as a direct form of payment to gaming machines.
- 3) Responses to the rest of the consultation should be discussed and decided at the appropriate Committee meeting.

Further information:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/655969/Consultation_on_proposals_for_changes_to_Gaming_Machines_and_Social_Responsibility_Measures.pdf

(d) Councillor Matthew Lee

The Council resolves to support the lobbying strategy to the Government to achieve an improved funding deal for Greater Lincolnshire (including South Kesteven District Council) going forwards.

The deadline for notices of motion for the Council meeting on Thursday, 25 January 2018 is 2pm on Friday 12 January 2018

MINUTES

COUNCIL

THURSDAY, 21 SEPTEMBER 2017

2.00 PM



PRESENT

Councillor Bob Sampson Chairman

Councillor Bob Adams
Councillor Ashley Baxter
Councillor Stephen Benn
Councillor Mrs Pam Bosworth
Councillor Robert Broughton
Councillor Teri Bryant
Councillor Mrs Frances Cartwright
Councillor George Chivers
Councillor Kelham Cooke
Councillor Lynda Coutts
Councillor Nick Craft
Councillor Felicity Cunningham
Councillor Phil Dilks
Councillor Barry Dobson
Councillor Damian Evans
Councillor Mike Exton
Councillor Helen Goral
Councillor Graham Jeal
Councillor Mrs Rosemary Kaberry-Brown
Councillor Michael King
Councillor Ms Jane Kingman
Councillor Matthew Lee
Councillor Nikki Manterfield

Councillor Charmaine Morgan
Councillor Helen Powell
Councillor Robert Reid
Councillor Nick Robins
Councillor Bob Russell
Councillor Ian Selby
Councillor Mrs Judy Smith
Councillor Jacky Smith
Councillor Peter Stephens
Councillor Judy Stevens
Councillor Adam Stokes
Councillor Brian Sumner
Councillor Mrs Brenda Sumner
Councillor Rosemary Trollope-Bellew
Councillor Frank Turner
Councillor Dean Ward
Councillor Mrs Andrea Webster
Councillor Hannah Westropp
Councillor Martin Wilkins
Councillor Paul Wood
Councillor Linda Wootten
Councillor Ray Wootten

OFFICERS

Chief Executive (Aidan Rave)
Strategic Directors (Tracey Blackwell,
Daren Turner)

OFFICERS

Assistant Director, Legal & Democratic
(Lucy Youles)
Principal Democracy Officer (Jo Toomey)

34. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Ashwell, Cook, Forman, Griffin, Mapp, Dr. Moseley, Neilson, Ian Stokes and Sarah Stokes.

35. DISCLOSURE OF INTERESTS

No interests were disclosed.

36. MINUTES OF THE MEETING HELD ON 15 JUNE 2017

The minutes of the meeting held on 15 June 2017 were proposed, seconded and agreed as a correct record.

One member sought clarification on the term “Proper Officer”, which was used on page 4 of the minutes (minute item 26).

A typographical error was identified in the first paragraph on page 6 of the minutes (minute item 26), which should have read: *“Further comments were made about the importance of transparency, with a comparison being drawn with Lincolnshire County Council where votes were also taken by a show of hands...”*

A further typographical error was identified on page 15 of the minutes (minute number 32), question four, where Councillor Mike Cook was identified as Councillor Mike Cooke.

37. COMMUNICATIONS (INCLUDING CHAIRMAN'S ANNOUNCEMENTS)

The Council noted the Chairman's engagements.

38. SCRUTINY COMMITTEE ANNUAL REPORT 2016/17

As the Chairman of the Council's Scrutiny Committee during 2016/17, the Chairman of the Council presented report number LDS226 and the attached Scrutiny Committee Annual Report for 2016/17. He explained that the report summarised the varied topics that the Committee had scrutinised during the year. All of the reports presented to the Committee and the action notes of its meetings were available on the Council's website, and he directed any Members with questions on specific topics to the Committee's support officers. He concluded by thanking the members who had served on the Committee for their work and commitment through the year.

The Vice-Chairman of the Scrutiny Committee in 2016/17 spoke about how important the work of scrutiny was. She explained that the report related to the old arrangements where the Council operated one Scrutiny Committee and three policy development groups. She added that work done by the Committee through 2016/17 had been thorough and well-received and hoped that the new

arrangements would work as well, if not better, than the previous arrangements.

A further comment was made that the former Committee had undertaken some good scrutiny. It was also stated that the new arrangements needed time to become embedded before they would be able to prove themselves.

The Leader thanked the Chairman of the Council for his work during his tenure as the Chairman of the Scrutiny Committee. He added that the report for 2017/18 would be compiled in consultation with the Chairmen of each of the Overview and Scrutiny Committees and would be presented by the Chairman of those Chairmen. He finished by saying that change was important to ensure that the Council continued to move forwards.

The Council noted the report.

39. THE LEADER'S REPORT ON URGENT DECISIONS

The Leader introduced report number CAB025 which gave details of an urgent key decision that was taken by the Cabinet Member for Retail and Visitor Economy to approve a new discretionary business rate relief scheme following a national revaluation of all commercial properties in April 2017.

Since the publication of the agenda, two urgent non-key decisions had been made; copies of both decisions were circulated to members at the start of the meeting as part of a pack of supplementary papers. These related to changes to the approved draft of the Housing Strategy for consultation and the signing of the armed forces community covenant.

A number of members made comments on the Housing Strategy decision. Figures relating to the number of homes delivered had increased between the draft strategy approved for consultation by Cabinet on 7 September 2017 and the draft approved for consultation as part of the non-key decision; it was clarified that the revised figure of 2,040 was an update to the figure of 1,457, which was the legacy of an early draft of the strategy.

Reference was also made to the identified level of housing need; the draft strategy stated that there was a requirement of 625 homes per annum, the alternative figures that were listed in the draft strategy (680 and 720) related to uplifted targets of 8% and 15%, which had been built into the local plan to provide a cushion. Members noted, however, that a recently released consultation arising from the Housing White Paper prescribed a calculation to determine housing need, which indicated that the figure could increase to 780 homes per annum. The proposal would be subject to consultation until November 2017 but it was considered likely that the figure would persist. Members were advised that consultation on the draft strategy had already commenced when the announcement was made but they were reassured that before the final version of the strategy was presented for decision, the most up-

to-date figures would be included.

Some of the amendments made to the draft Housing Strategy related to comments that had been raised at the Cabinet meeting on 7 September 2017. A Councillor who was not a member of the Cabinet made a representation about affordable housing and how he felt that the draft document should demonstrate a firmer commitment to delivery of affordable housing.

Further comments were made about housing need for, and the shortage of, affordable housing. The traditional definition of affordable housing was social housing for rent or shared ownership however this was broadened by the Housing White Paper to include starter homes and subsidies for first-time buyers. It was anticipated that in future the Council's affordable housing target could be split between the traditional forms of affordable housing and starter homes. Support was also voiced for the proposals in the strategy to work with private sector landlords.

Some concern was expressed about the potential impacts of the imminent introduction of universal credit. Council members were advised that the Cabinet was discussing possible responses that could be implemented when the actual impact of the introduction was known.

One member asked about the Council's powers to acquire derelict land to enable the development of affordable housing. The Council had developed a register of derelict land within the district. It could privately negotiate with the landowners to acquire the site through a standard sale arrangement, it also had powers to compulsorily purchase sites however this was a process of last resort..

Comment was made about circulating supplementary documents with the changes clearly tracked. Members of the Council noted the report.

40. OVERVIEW AND SCRUTINY COMMITTEE REMITS

The Deputy Leader, as the Cabinet Member whose remit included governance, presented report number LDS234, which informed Council of the remits that had been agreed by each Overview and Scrutiny Committee. The lists were not exhaustive and future updates would continue to be made and reported. He added that the formulation of remits was the responsibility of each Overview and Scrutiny Committee Chairman and not the Leader or Cabinet.

Some members who sat on overview and scrutiny committees spoke about information and agenda items that they had requested seeking clarity on the appropriate process to follow. Members were advised that it was for a Committee to make requests for information and it was not for members of the Cabinet to intervene.

One of the comments related to a request for a breakdown of costs associated

with the big clean project. The response was given that the project had reached the 6-week mark and figures would not be released before the 12-week project's conclusion.

The Council noted the contents of the report.

41. MEETINGS OF THE CABINET

Since the Council had last met on 15 June 2017, the Cabinet had met on three occasions. Paperwork related to those meetings was circulated in the agenda pack appended to report number LDS232. The minutes of the Cabinet meeting held on 7 September 2017 were circulated at the meeting as part of the pack of supplementary documents.

The Leader announced that he was making some changes to Cabinet Members' remits. Councillor Jacky Smith's remit would change from Major Development Projects to Health and Wellbeing and Skills. The Leader explained that he had made the changes because of the increasing importance of the agenda around health and wellbeing, and that he wanted to dedicate time to this area at a senior level. The remit would also include the skills agenda and the cinema aspect of the St. Peter's Hill development, plus any other special projects allocated by the Leader. This change would lead to consequential changes to the remits of Councillors King and Neilson. Members were informed that they would be sent an e-mail detailing the revised remits and the changes would be formally reported at the Council meeting on 23 November 2017.

Clarification was sought about which Cabinet Member's remit would include universal credit; the response was given that it would remain within Councillor Neilson's remit.

During discussion of the Cabinet papers a question was raised in relation to a non-key decision made for a lease renewal. The Deputy Leader, who had made the decision, stated a discrepancy had been identified regarding the outstanding lease during a full review of all of the Council's assets and properties. He added that he was continuing to work with the relevant officer to complete the review.

The contents and appendices of report number LDS232 were noted.

42. MEMBERS' OPEN QUESTIONS

Question 1

By way of introduction to his question, Councillor Wootten made reference to a recent interview where Sir Bruce Keogh, the Medical Director of NHS England said he wanted to encourage people in each of the 44 STP areas to make their own decisions as they had a much clearer idea of local needs than people

sitting in London. He proceeded to ask whether the Leader supported the decision made by the Lincolnshire Health Scrutiny Committee at a recent meeting to call on United Lincolnshire Hospitals Trust to consult with the community on the future of Grantham Hospital and healthcare in Lincolnshire.

The Leader's responded that Grantham Hospital was important to the future of the town. There were plans in place that would see Grantham's population increase from 44,000 to 53,000; stating that the town needed first class health facilities today and as it grew and developed. He then read a recent statement made by the MP for the Grantham and Stamford Constituency, Nick Boles. In the statement Mr Boles stated that there was no plan to downgrade the existing A&E service at Grantham and turn it into an urgent care centre. He added that the option being discussed was the retention of the existing A&E service from early morning until late evening and re-opening it at night with the staffing appropriate for an urgent care centre or minor injuries unit. He stated that other options would be explored and consulted on but felt that the option noted above should be pursued as it offered the prospect of restoring a 24/7 service in Grantham that was not dependent on the recruitment of A&E doctors.

The Leader concluded by saying he welcomed the call by the Lincolnshire Health Scrutiny Committee to involve the people of Grantham and that he also expected that this district council would be involved.

Question 2

Councillor Bryant referred to report number LDS231, which was circulated with the Council agenda pack. The report related to a question that he had raised previously and the subsequent written answer had been supplied by the Cabinet Member for Finance. He queried whether the answer should have been copied to all members of the Council in the first instance and asked whether the relevant Committee could look at how to deal with supplementary questions.

The Leader stated that if a question could not be answered during a Council meeting, a copy of the written answer would be sent to the Councillor who posed the question and a copy sent to all Councillors. He stated that any further correspondence on the matter should then take place privately between the relevant Members.

Question 3

Councillor Reid asked the Cabinet Member with responsibility for Retail and Visitor Economy to provide an update of the Business Rate Relief Scheme.

The Cabinet Member stated that the government had made £568k available for a four-year period with £332k available in the first year. It had been anticipated that 1,000 businesses would benefit from the approved scheme. Following the implementation of the scheme, it was identified 500 of the 1,000 business were

eligible for support through other available grants. This meant that the whole grant had not been fully utilised and as a consequence the criteria were being reviewed and relaxed to include high street stores, national chains and larger businesses. The estimated cost of relief was £325k, which left £7k which could be claimed as and when businesses wanted to apply for further rate relief during the remainder of the financial year.

Question 4

Councillor Morgan referred to votes where the Council and Nick Boles MP had voted to oppose cuts to Grantham Hospital or the potential downgrade of services. She then asked the Leader whether he supported the local campaign groups who collectively opposed the Government's 2012 Health and Care Act that had led to the centralisation of A&E departments nationally and reduced the role of district councils in the decision-making process over health and care services in their areas by handing responsibility to the hospital trust and clinical commissioning groups. She stated that she had written to Nick Boles MP asking about his refusal to support campaign groups that were opposed to the Health and Care Act.

The Leader stated that he could not speak on behalf of the MP and that it was not appropriate to try and undermine the MP by asking for comment on his behalf. He stated that the MP had supported Grantham Hospital and the re-opening of the accident and emergency department.

The Leader added that as a local politician he always tried to support and work with community groups when they were fighting for something that the area needed. He stated that the NHS would continue to undergo change and that the Council would need to review any proposals based on what the town needed, which was why he had changed the Cabinet remits so the Council could consider any proposals in a more informed way.

Question 5

Councillor Wood raised concerns about an issue in Long Bennington with lorries parking overnight at the north end of the village. This had caused problems with littering and waste. While this had been tackled periodically as part of the big clean, the problem exceeded the initiative. He asked the Cabinet Member for Environment whether consideration could be given to holding a meeting with Lincolnshire County Council, South Kesteven District Council and Long Bennington Parish Council to try and find a solution.

The Cabinet Member for Environment was not present at the meeting however the Leader stated that the Council would work with Long Bennington Parish Council and Lincolnshire County Council, and that he would ask Councillor Dr. Moseley to meet separately with Councillor Wood to try and resolve the issue.

Question 6

Councillor Linda Wootten asked the Leader whether he supported the hospital campaign groups' call for a 24/7 accident and emergency service at Grantham Hospital. The Leader stated that he did.

Question 7

Councillor Baxter referred to a meeting of Deeping St James Parish Council that he had attended prior to his election as a district councillor. He said that at this meeting the parish council was told that it was urgent that a lease be signed between the county, district and parish councils, the rugby club and the leisure provider. He commented that no lease was in place and asked whether any member of the Cabinet had had dealings in relation to the Deepings Leisure Centre, and whether a lease could be expected before a new centre was built. He also asked whether there was any likelihood of an arrangement with the school where members of the public could swim during the working week for a reasonable amount of time.

The Leader stated that at the present time there was no lease for the leisure centre in the Deepings. He said he had had experience of dealing with this type of leisure centre and that the arrangement was not abnormal. He said that services would continue to operate and be delivered. He stated that he had seen some possible wording for a lease but nothing was in a position to be signed, and added that work would continue to provide a solution to deliver excellent leisure facilities in the Deepings.

Question 8

Councillor Helen Powell referred to the Council investment in commercial properties. She suggested an alternative where money would be diverted into tourism to develop a log-cabin holiday venue that would sit in close proximity to the proposed designer outlet village. She felt that this would provide a financial return for the Council through letting income while attracting people to the area with disposable income.

The Cabinet Member for Finance gave assurances that consideration was being given to a range of potential investment areas including land, leisure opportunities and health.

Question 9

Councillor Rosemary Kaberry-Brown made a statement about her representation of South Kesteven District Council on the Lincolnshire Health Scrutiny Committee and summarised the points that were made at a recent meeting about restoring 24-hour coverage for Grantham Hospital's accident and emergency department.

As this was a statement, no response was required.

Question 10

Councillor Stephens asked for a progress update on the Southern Relief Road.

The Cabinet Member for Economy and Development stated that phase one had been completed, which was the section between Spitalgate Level and the A1. Phase two (the new junction to the A1) would be going out to tender in the spring of 2018 with a view to work commencing on site during the summer of 2018 for a two year build. Phase three would be going to tender during the autumn of 2018 and would have a three-year build out period.

Question 11

Reference was made by Councillor Dilks to previous comments that had been made about members sharing information. He said that where it was possible and practical information was exchanged by group leaders but added that it was sometimes neither possible nor practical. He suggested that it may be helpful to circulate any pre-prepared statements with the supplementary papers for the meeting.

In reply, the Leader said that he enjoyed the working relationship he had with the opposition group leaders and referred to the MP's statement from which he had read when responding to an earlier question. He stated that he had anticipated he may be asked questions about Grantham Hospital and felt that the statement might assist in any response. He concluded by referring to an earlier question that had related to private correspondence between two other individuals and stated that he felt it was unreasonable to be expected to make comment.

43. CLOSE OF MEETING

The meeting was closed at 15:34.

Agenda Item 5

List of Chairman's Engagements

20 September 2017 to 26 November 2017

Date	Ref	Organisation and Event	Location	Chauf
Thursday 21.09.17	BS030	Bidwell's National Heritage Conference	Stamford, Stamford Arts Centre	
Thursday 21.09.17	BS029	Opening of Stamford Georgian Festival	Stamford	
Sunday 24.09.17	BS010	Chairman's Civic Service	Fulbeck Church, Fulbeck	
Monday 25.09.17	GC013	Jubilee Church Life Centre - Cutting the ribbon for the new department	Jubilee Centre Grantham	
Sunday 01.10.17	BS026	Gainsborough Town Council Civic Service	All Saints' Parish Church Gainsborough	✓
Wednesday 04.10.17	BS033 GC014	Business Opening Venture Townsend-Moore Funeral Directors	23 Wharf Road, Grantham, NG31 6BG	
Thursday 05.10.17	BS032	BIAC Conference	Williams Conference Centre, Wantage	
Thursday 12.10.17	BS044	Dr Caroline Johnson MP Sleaford Office Opening	Sleaford	
Thursday 12.10.17	BS040	Stamford Photo Presentation to Oscar Rawlinson	Stamford Library Stamford	
Friday 13.10.17	BS034	SENSE Visit by HRH Princess Royal	SENSE, South Fen Business Park, Bourne	✓
Friday 13.10.17	BS039	Grantham Music Festival	Kings Grammar School Grantham	
Tuesday 17.10.17	BS035	Loomes & Co An Exhibition of Photos of Nepal and Everest in Aid	Stamford Town Hall Stamford	
19 to 21.10.17	BS036	Land of Hops and Glory	St Wulfram's Church Grantham	
Sunday 22.10.17	BS027	Grantham Lion Club Annual Variety Concert	Priory Ruskin Academy, Grantham	
Sunday 05.11.17	BS044	Remembrance Garden Opening	St Peter's Hill Green Grantham	
Tuesday 07.11.17	BS045	Celebration of Achievement Evening	Walton Girl's High School Grantham	
Wednesday 08.11.17	BS046	Civilian Service of Remembrance	Grantham Crematorium Grantham	
Wednesday 08.11.17	GC017	St Wulfram's Cocktails and Canapes	St Wulfram's Church, Grantham	
Friday 10.11.17	BS047	Market Rasen TC Mayor's Remembrance Civic Dinner	Market Rasen Festival Hall,	✓
Saturday 11.11.17	GC018	2 Minutes Silence Remembrance Day	St Peters Hill, Grantham	
Sunday 12.11.17	BS048	Remembrance Day Parade and Church Service	St Wulfram Church, Grantham	
Sunday 12.11.17	GC016	Closing Garden of Remembrance	St Peter's Hill Green	
Thursday 16.11.17	BS037	Lincolnshire Fire Brigade Long Service and Good Conduct Awards	Showroom Conference Centre, Lincoln	
Friday 17.11.17	BS052	Melton BC, Civic Dinner	Scalford Hall Hotel, Melton Mowbray	✓
Sunday 19.11.17	BS038	South Holland Chairman's Civic Service	All Saint's Church, Moulton	✓
Saturday 25.11.17	BS055	Opening of the Victorian Market	Stoke Rochford	
Sunday 26.11.17	BS049	ABF Curry Lunch	Prince William of Gloucester Barracks, Grantham	



COUNCIL

Report of the Chairman of the Independent Remuneration Panel

Report to:	Council
Date:	23 November 2017
Subject:	Recommendation from the Independent Remuneration Panel (LDS247)

Decision Proposal:	Decision of Council in accordance with Article 4.2(v) of the Council's Constitution
Relevant Cabinet Member:	Not applicable
Report author:	Jo Toomey, Principal Democracy Officer Tel: 01476 40 61 52 E-mail: j.toomey@southkesteven.gov.uk Date: 16 October 2017
Reviewed by:	Julie Edwards, Elections and Democratic Team Leader Tel: 01476 40 60 78 E-mail: j.edwards@southkesteven.gov.uk Date: 13 November 2017
Signed off by:	Lucy Youles, Assistant Director – Legal and Democratic Tel: 01476 40 61 05 E-mail: l.youles@southkesteven.gov.uk Date: 13 November 2017
Approved for publication	Daren Turner, Strategic Director – Corporate Tel: 01476 40 63 01 E-mail: d.turner@southkesteven.gov.uk Date: 14 November 2017

SUMMARY

This report details the recommendations made by the Independent Remuneration Panel in its report (attached as Appendix A), for consideration, adoption of a scheme and implementation from a date to be determined.

RECOMMENDATION

1. That the Council considers the recommendations made by the Independent Remuneration Panel made in its report as attached at Appendix A to report number LDS247 and agrees a scheme of remuneration for Councillors.
2. That the Council considers whether Members' allowance should continue to be index-linked to local authority pay awards.
3. That the Council considers whether to adopt the following local changes:
 - a. To allow members to claim for their travel when they have a legitimate interest in a matter being discussed by one of the Council's Committees.
 - b. To allow members to claim for their travel when they attend the Council offices to meet with an appropriate officer to discuss included item(s).
 - c. To allow members to claim for their travel when attending parish council meetings
 - d. To allow recompense for "informal" caring arrangements
4. That the Constitution be amended to incorporate an approved Scheme of Remuneration.
5. If the Council agrees to make changes to the local scheme (as noted in recommendation 3), it tasks the Constitution Committee to formulate appropriate wording following consultation with Internal Audit for consideration by Council on 25 January 2018.
6. To agree the date from which agreed changes will take effect.

1. BACKGROUND TO REPORT

- 1.1** Members allowance schemes are regulated by the Local Government 2000 and the Local Authorities (Members' Allowances) (England) Regulations 2003 (the Regulations). The current Members' Allowance Scheme is attached to this report as Appendix B.
- 1.2** At its meeting on 23 January 2014 the Council received the last full report of the Independent Remuneration Panel. The Council accepted the recommendations of the Panel. The Panel was asked to complete an interim review to consider remuneration in respect of the Shareholder Committee and for working groups set up as part of the Council's overview and scrutiny arrangements. Council considered this report on 29 February 2016 and again, the Panel's recommendations were accepted.
- 1.3** The methodology that was used by the Panel in drawing together its recommendations is summarised in the Panel's report. It also summarises contextual information and the conclusions drawn from the evidence it received.

- 1.4** The Panel did make recommendations on the content of the local scheme. The Panel recommended that the Council should consider changing its scheme to enable Members to claim mileage for attending any committee of the Council in which they had an interest and for meetings with officers, as well as attending parish and town council meetings in their capacity as a Ward member. The Panel also recommended that a mechanism should be put in place that would allow the payment of the Carer's Allowance for "informal" caring arrangements. If any of these recommendations are to be adopted by the Council, the format for making any such claims would need to follow any advice from the Council's internal auditors.
- 1.5** The Panel was also asked to consider appropriate remuneration for the Council's Independent Person who acted in both matters related to standards and considering issues relating to statutory officers.
- 1.6** Currently Members' allowances are index-linked to local authority pay awards. Section 10(5) of the Regulations requires that where an authority has regard to an index for the purpose of annual adjustment of allowances it must not rely on that index for longer than a period of four years before seeking a further recommendation from the Independent Remuneration Panel established in respect of that authority, on the application of an index to its scheme.

2. OTHER OPTIONS CONSIDERED

- 2.1** The Council is required to review its remuneration scheme for Members every four years. The Council can choose to adopt all, none or some of the Independent Remuneration Panel's recommendations.

3. RESOURCE IMPLICATIONS

- 3.1** Resource for the Independent Remuneration was included within the Legal and Democratic Services budget. Staff support for the review was provided from within existing resources.
- 3.2** If Members accept the Panel's recommendations, then there is an in-year budget increase for 2017/18.
- 3.3** Provision for any amended scheme adopted by Council would need to form part of the budget setting process going forward.
- 3.4** Broadening those duties for which members are eligible to claim travel allowance will also lead to additional expense, the extent of which is not possible to predict at this time.

4. RISK AND MITIGATION

Risk has been considered as part of this report and no specific high risks were identified.

5. ISSUES ARISING FROM IMPACT ANALYSIS (EQUALITY, SAFEGUARDING etc.)

- 5.1** An equality analysis is not applicable. The recommendations that Council is asked to consider were made by an Independent Remuneration Panel which used a robust evidence-gathering methodology.

6. CRIME AND DISORDER IMPLICATIONS

- 6.1** No crime and disorder implications arise as a result of this report.

7. COMMENTS OF FINANCIAL SERVICES

- 7.1** If the recommendations are approved by Council, there will be an in-year financial implication that will need to be met. Budget monitoring and management continues for the remainder of 2017/18 and it is anticipated that the in-year increase will be met from virements from other budget headings in accordance with the Council's Financial Regulations. The full year effect of the recommendations (if approved) will be incorporated into the budget proposals for 2018/19 and beyond.

8. COMMENTS OF LEGAL AND DEMOCRATIC SERVICES

- 8.1** In accordance with the Local Government Act 2000 and the Local Authorities (Members' Allowances) (England) Regulations 2003, the Council is required to review its scheme of Members' allowances every four years. A scheme must be approved and be incorporated into Article 2.5 of the Council's Constitution.

9. COMMENTS OF OTHER RELEVANT SERVICES

- 9.1** Not applicable

10. APPENDICES

- 10.1** Appendix A: Report of the Independent Remuneration Panel

- 10.2** Appendix B: Current Members' Allowance Scheme

11. BACKGROUND PAPERS

- 11.1** Local Government Act 2000:
<http://www.legislation.gov.uk/ukpga/2000/22/contents>
- 11.2** Local Authorities (Members' Allowances) (England) Regulations 2003:
<http://www.legislation.gov.uk/uksi/2003/1021/contents/made>

Report of the Independent Remuneration Panel to South Kesteven District Council

1. Introduction

- 1.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 put in practice a consolidated and simplified framework for allowances that covers Principal Councils and Parish and Town Councils.
- 1.2 Part 4 of the Regulations makes provision for the establishment of an Independent Panel to make recommendations concerning Allowances. It is for you as a Council to determine your Allowances Scheme but you do have a legal duty to take account of our recommendations.
- 1.3 Our Panel comprises John Cade (Chairman), Ian Davis, John Greenwood and Gordon Wells. Three of us: John Cade, John Greenwood and Gordon Wells were Panel Members for your previous reviews in 2013 and 2016. Ian, who has senior local government officer experience has now joined us following two previous colleagues stepping down.

2. Way of Working

- 2.1 Our activity fell into five areas.
 - a) A comprehensive review of the background and contextual information on South Kesteven District Council, focussing on changes which have taken place since the Council's last full review in 2013.
 - b) A Workshop held on 20th July 2017 to outline our role and to answer any immediate queries about how we go about our work. It is not necessary to hold an introductory workshop and most Councils move directly to the evidence giving stage. We welcomed the opportunity (suggested by the Leader of the Council) to have this workshop and from the feedback we have received it was seen to be helpful.

- c) A questionnaire about time spent on council activity and responsibilities was circulated. We are grateful to those Councillors who provided us with this information.
- d) Taking evidence from Councillors and the Chief Executive. It was very important to us that as many Councillors as possible had the opportunity to submit evidence to us. We are very grateful to the 13 Councillors who provided oral evidence to us on 5th September 2017.
- e) Our consideration of all the evidence we had received and reaching unanimous agreement on our recommendations.

2.2 In all our work we received excellent support from your Principal Democracy Officer, Jo Toomey and we would like to formally record our thanks.

3. Context

- 3.1 Pivotal to our role is to look at what changes have taken place across the Council, in terms of issues such as culture, Member leadership, structures, responsibilities and accountabilities since our last review in 2013.
- 3.2 With only a few exceptions, Members wished to share with us what they saw as significant changes in the way the Council does its business. Many Councillors expressed this as a shift from being “an Officer-led Authority to a Member-led Authority”. Members are now taking a much stronger lead in policy development. Significant projects which had previously stalled are now being resuscitated.
- 3.3 To use another phrase, it was overwhelmingly felt that the Council had not previously been “punching its weight” to the detriment of the people who live and work in South Kesteven. We were advised that the culture has now changed and the Council is much more pro-active in driving improvements in services and projects.
- 3.4 We were struck by how these comments came not just from the Members of the Ruling Group but also from Members of other Groups on the Council.

- 3.5 This led many Members to say to us that whilst allowances may have been appropriate historically, that they are now out of kilter with the more pro-active approach being taken.
- 3.6 The Chief Executive also said to us that things which would previously have “fallen into the officers’ bag” were now being taken on by Members. He told us that Members are getting more engaged in taking the lead at meetings with developers and partners.
- 3.7 The Chief Executive also confirmed that any additional costs would be accommodated in the context of his overview of the Council’s total budget.
- 3.8 We are aware that some Independent Remuneration Panels take the view that they should make recommendations without regard to their resource implications. We are not of that persuasion. We believe at a time of great financial pressure across the sector we cannot be immune to these circumstances.
- 3.9 But, on balance, we came to the conclusion that we could not disregard the weight of evidence we received about the greater responsibilities, commitments and accountabilities now being placed on Councillors. These should be acknowledged and recognised.

4. Findings

- 4.1 The legislation stipulates that Local Authority Schemes of Allowances:
- a) Must make provision for a Basic Allowance, payable to all Members
 - b) May make provision for Special Responsibility Allowances
 - c) May include provision for payment of travel and subsistence expenses
 - d) May include provision for Co-optee Allowances
 - e) May make provision for Carers Allowances

4.2 Basic Allowance

- (i) Based on the evidence we received we do believe that there is a compelling case for increasing the Basic Allowance.
- (ii) The point was properly made to us that a neighbouring Council with a smaller population and smaller budget had a much higher basic allowance.
- (iii) We came to the view that, having regard to other Lincolnshire Districts, it would be appropriate to set the Basic Allowance at the average for all Lincolnshire Districts. This would provide for a Basic Allowance of £5,407; the current figure being £4,641.

4.3 Special Responsibility Allowances (SRAs)

- (i) Councils usually determine their SRAs either as a percentage of the Leader's SRA or as a percentage of the Basic Allowance. You have adopted the latter approach and we see no reason to change this. It provides an anchor both inside the Council and to residents on the way the Allowances are calculated.

- (ii) Leader's Allowance

From the evidence received across the Council there was a strong belief on behalf of the Leader that his SRA should be increased. We were of the same opinion and believe his SRA should be a factor of 3.5 of the Basic Allowance. Currently it is 3.25.

- (iii) Deputy Leader's Allowance

There is a close alignment between the work of the Leader and Deputy Leader and the latter plays an important role in the leadership of the Council. We therefore recommend that the Deputy Leader's SRA be a factor of 2.75 of the Basic Allowance to move the post a bit closer to that of the Leader's SRA. Currently it is 2.25.

- (iv) Cabinet Members

Whilst we recognise that the role of Cabinet Members has also increased we are also conscious that there has been an increase in the number of Cabinet Members. Balancing these out we

believe the Cabinet Members' SRA should remain as a factor of 2.00 of the Basic Allowance.

(v) Scrutiny Chair

For good governance under a "Strong Leader" model it is important to have an effective scrutiny function. Whilst we are not convinced that scrutiny is as effective as it should be at the moment we are satisfied that there is the intent to make it so. We, therefore, believe that the SRA for a Scrutiny Chair should be a factor of 1 of the Basic Allowance. Currently it is 0.75.

(vi) Opposition Allowances

And, as for scrutiny, so for the Opposition Allowances. The Opposition Members need to provide effective challenge. We, therefore, believe that, in like manner, the allowance paid on a pro-rata basis to the Opposition should be a factor of 1 of the Basic Allowance. Currently it is 0.75.

(vii) Development Management, Licensing, Governance and Audit and Constitution Committee Chairs

We received no evidence that the factors relating to these allowances should be increased and propose that they remain at their existing levels of Basic Allowance, ie: 0.9, 0.55, 0.67 and 0.45 respectively.

(viii) Employment Committee Chair

An Employment Committee has now been established to be responsible for Senior Officer appointments and other strategic employment matters. We believe the SRA for the Committee Chair should be a factor of 0.67 of the Basic Allowance

(ix) New Shareholder Committee Chair and Vice-Chair

We were advised that the Shareholder Committee is now fully constituted, is considering its workplan and expansion of the company into new areas. In the circumstances we consider an SRA at a factor of 0.67 of basic allowance appropriate.

(x) Vice-Chairs

We believe that the SRA for Vice Chairs should remain at 0.33 of the SRA of their respective Chair.

4.4 Index Linking

You have previously provided for index linking of allowances to any increase awarded to South Kesteven District Council employees. We believe that this is a sensible approach as it provides for allowances to increase at an appropriate rate and prevents the need for periodic “catch-up” lump sum proposals which are more difficult for the public to relate to their own circumstances.

4.5 Travel and Subsistence

Whilst we make no proposals for change in the levels of remuneration we do recommend that your scheme is amended to allow Members who have a legitimate interest in a matter being discussed in one of your Council Committees to be able to claim travel expenses to attend the relevant Committee or meet with an appropriate Officer to discuss included item(s).

For a Member-led Authority the travel scheme should encourage rather than discourage involvement.

The question of paying travel expenses to Councillors attending Parish Council meetings was also raised with us. We are mindful that some Members represent large rural areas containing several Parishes. We are not unsympathetic to this but wonder how Audit would be able to keep a trail and verify such claims when a third party is involved. We, therefore, think your Internal Audit Section should look at the feasibility of this.

4.6 Carers' Scheme

Again, whilst not recommending any changes to the level of remuneration we believe consideration should be given to see if it is possible for more “informal” caring arrangements to be recompensed. We recognise that your Internal Audit Section will

want to look at the details and we recommend that they see if any latitude might be provided here.

4.7 Independent Person on Standards Committee

With the change in statutory arrangements for the Standards Committee now making provision for the appointment of an Independent Person we believe that any person appointed should be remunerated at £1,000 per annum.

5. Financial Implications

The financial implications of our proposals are shown in the Appendix to our report.

6. Recommendations

We recommend to full Council:

- a) That the Basic Allowance be increased to £5,407 per annum
- b) That the Special Responsibility Allowance for the Leader be a factor of 3.5 of the Basic Allowance
- c) That the Special Responsibility Allowance for the Deputy Leader be a factor of 2.75 of the Basic Allowance
- d) That the Special Responsibility Allowances for Cabinet Members be a factor of 2.00 of the Basic Allowance
- e) That the Special Responsibility Allowance for a Scrutiny Chair be a factor of 1.00 of the Basic Allowance
- f) That the Opposition allowance be a factor of 1.00 of the Basic Allowance and paid on a pro-rata basis according to Group size
- g) That the Special Responsibility Allowances for the Chairs of Development Management, Licensing, Governance and Audit and Constitution Committees remain as at present (ie: 0.9, 0.55, 0.67 and 0.45 respectively)
- h) That the Special Responsibility Allowance for the Employment Committee Chair be a factor of 0.67 of the Basic Allowance

- i) That the Special Responsibility Allowance for the Shareholder Committee Chair be a factor of 0.67 of the Basic Allowance
- j) That the Special Responsibility Allowance for Vice-Chair remain as a factor of 0.33 of the SRA of their respective Chair.
- k) That the index-linking of the Basic Allowance and Special Responsibility Allowances be linked to any salary increases awarded to South Kesteven District Officers and that such indexation continues until the next IRP report, or for a period of four years, whichever is the sooner
- l) That the Travel and Allowance Scheme be amended to allow Members who have a legitimate interest in a matter being discussed in one of your Committees to be able to claim travel expenses either to attend the Committee itself or to discuss an item with a relevant Officer
- m) That your Internal Audit Section looks at the feasibility of paying travel expenses to Members attending Parish Council meetings.
- n) That your Internal Audit Section looks at the scope for claims under the Carers' Scheme
- o) That the Independent Person to your Standards Committee receive a remuneration of £1,000 per annum
- p) That the revised allowances come into effect from 1 September 2017

John Cade,

Chair, Independent Remuneration Panel

October 2017

Cost breakdown of current scheme

	Allowance	Allowance	No. of recipients	Total spend
Basic allowance	£	4,641.00	56	£ 259,896.00
Leader of the Council	£	15,063.00	1	£ 15,063.00
Deputy Leader of the Council	£	10,428.00	1	£ 10,428.00
Cabinet Member	£	9,276.00	7	£ 64,932.00
Development Management Committee Chairman	£	4,182.00	1	£ 4,182.00
Development Management Committee Vice Chairman	£	1,398.00	1	£ 1,398.00
Licensing Committee Chairman	£	2,559.00	1	£ 2,559.00
Licensing Committee Vice-Chairman	£	855.00	1	£ 855.00
Overview and Scrutiny Committee Chairman	£	3,096.00	5	£ 15,480.00
Overview and Scrutiny Committee Vice-Chairman	£	1,041.00	5	£ 5,205.00
Governance and Audit Committee Chairman	£	3,096.00	1	£ 3,096.00
Governance and Audit Committee Vice-Chairman	£	1,041.00	1	£ 1,041.00
Constitution Committee Chairman	£	2,091.00	1	£ 2,091.00
Constitution Committee Vice-Chairman	£	705.00	1	£ 705.00
Employment Committee Chairman	N/A			
Employment Committee Vice-Chairman	N/A			
Shareholder Committee Chairman	N/A			
Shareholder Committee Vice-Chairman	N/A			
Opposition Group Leader	£	3,486.00	1	£ 3,486.00
Independent Person	N/A			
				£ 390,417.00

Cost breakdown of proposed scheme

Allowance	Factor of basic	Total allowance	No. of recipients	Total spend
Basic allowance		£ 5,407.00	56	£ 302,792.00
Leader of the Council	3.5	£ 18,924.50	1	£ 18,924.50
Deputy Leader of the Council	2.75	£ 14,869.25	1	£ 14,869.25
Cabinet Member	2	£ 10,814.00	7	£ 75,698.00
Development Management Committee Chairman	0.9	£ 4,866.30	1	£ 4,866.30
Licensing Committee Chairman	0.55	£ 2,973.85	1	£ 2,973.85
Overview and Scrutiny Committee Chairman	1	£ 5,407.00	5	£ 27,035.00
Governance and Audit Committee Chairman	0.67	£ 3,604.67	1	£ 3,604.67
Constitution Committee Chairman	0.45	£ 2,433.15	1	£ 2,433.15
Employment Committee Chairman	0.67	£ 3,604.67	1	£ 3,604.67
Shareholder Committee Chairman	0.67	£ 3,604.67	1	£ 3,604.67
Opposition Group Leader	1	£ 5,407.00	1	£ 5,407.00
Independent Person	1	£ 1,000.00	1	£ 1,000.00

Vice-Chairman Allowances (based on 1/3 of Chairman's Allowance)

Allowance	Chairman's	Total Allowance	No. of recipients	Total spend
Development Management Committee Vice Chairman	£ 4,866.30	£ 1,605.88	1	£ 1,605.88
Licensing Committee Vice-Chairman	£ 2,973.85	£ 981.37	1	£ 981.37
Overview and Scrutiny Committee Vice-Chairman	£ 5,407.00	£ 1,784.31	5	£ 8,921.55
Governance and Audit Committee Vice-Chairman	£ 3,604.67	£ 1,189.54	1	£ 1,189.54
Constitution Committee Vice-Chairman	£ 2,433.15	£ 802.94	1	£ 802.94
Employment Committee Vice-Chairman	£ 3,604.67	£ 1,189.54	1	£ 1,189.54
Shareholder Committee Vice-Chairman	£ 3,604.67	£ 1,189.54	1	£ 1,189.54
				£ 482,693.42

MEMBERS ALLOWANCE SCHEME 2017/18

BASIC ALLOWANCE

Payable to every Councillor

£4,641 per annum

SPECIAL RESPONSIBILITY ALLOWANCES

Leader of the Council	£15,063.00 per annum
Deputy Leader of the Council	£10,428.00 per annum
Cabinet Member	£9,276.00 per annum
Development Control Committee Chairman	£4,182.00 per annum
Development Control Committee Vice-Chairman	£1,398.00 per annum
Licensing Committee Chairman	£2,559.00 per annum
Licensing Committee Vice-Chairman	£855.00 per annum
Overview & Scrutiny Committee Chairman	£3,096.00 per annum
Overview & Scrutiny Committee Vice-Chairman	£1,041.00 per annum
Opposition Group Leaders (pro rata)	£3,486.00 per annum
Constitution Committee Chairman	£2,091.00 per annum
Constitution Committee Vice-Chairman	£705.00 per annum
Governance & Audit Committee Chairman	£3,096.00 per annum
Governance & Audit Committee Vice-Chairman	£1,041.00 per annum

Any member entitled otherwise to more than one special responsibility allowance shall only be entitled to take one such allowance that being the highest.

Childcare and carers allowance: An allowance for child care and carers at £5.89 per hour is payable, subject to a ceiling of £1,110 per annum per Councillor, payable for approved duties on presentation of a receipt/invoice.

Travelling Expenses (elected members and non-elected co-opted members)

Travelling expenses are payable at a rate of 45 pence per mile (irrespective of the cc of the car) for the following

Travelling expenses are payable for the following

- (i) Full Council meetings
- (ii) Cabinet, Committee or sub Committee meetings of which a member, or has been invited to attend such meeting. If not a member of the committee or not invited to attend such a meeting no travel expenses are payable

- (iii) Outside bodies to which the Council makes nominations/appointments (but not representation on school governing bodies) where the Councillor is in attendance as a nominee of the Council
- (iv) Meetings in effect 'set-up' by the Council, such as working groups provided membership includes more than one political group or they have appointed in a properly constituted meeting body comprising more than political group and providing that the working group is open to all members of that meeting body, (with the same principle applying to a Councillor invited to serve on a working group but not on the parent meeting body) or group leaders meetings
- (v) Meetings of the various tiers of the Local Government Association
- (vi) Planning site visits as a rostered member of the Development Management Committee, not as a local representative pursuing constituency interests
- (vii) Seminars, conferences and similar informal meetings at the behest of Committee
- (viii) Other meetings for the Council such as staff appointments, training seminars and meetings with officers in connection with a member's portfolio (not normal constituency business)
- (ix) Duties, which are undertaken in connection with being an Cabinet Member, Chairman/Vice-Chairman of an Overview and Scrutiny, Chairman/Vice-Chairman of Regulatory Committees such as briefing meetings, visits and opening tenders

Subsistence Expenses

Reimbursement of actual costs incurred to a maximum of

Breakfast Allowance

An absence of at least 4 hours before 11am - £6.80

Lunch Allowance

An absence of at least 4 hours including the whole of noon to 2pm - £9.60

Tea Allowance

An absence of at least 4 hours including the whole of the period 3pm – 6pm - £3.70

Evening Meal Allowance

An absence of at least 4 hours ending after 7pm - £11.70

Overnight Absence

In the case of an absence overnight from the usual place of residence – full cost of reasonable and necessary expenses

Additional Guidance for Subsistence Entitlement;

- (i) Entitlement for subsistence is determined against the same criteria as travelling expenses when claiming for duties outside the district
- (ii) Entitlement for Subsistence when attending the main Council Offices or within the district should only be when attending two separate meetings (as defined at travelling expenses numbers 2.5.1 (i) to (viii)). Note number 2.5.1 (ix) duties undertaken in connection with being Cabinet Members or Chairman/Vice-chairman such as briefing meetings, etc. do not count for the purposes of entitlement to subsistence
- (iii) In the case of an absence overnight from the usual place of residence, full cost of reasonable and necessary expenses is payable. With regard to meals claimed reference will be made to the normal allowances, taking account of any unavoidable captive charges. The Strategic Director, Corporate Focus will make a decision on any dispute on 'reasonable and necessary' expenses
- (iv) Where a Councillor's existing private domestic broadband connection is used for access to South Kesteven District Council systems, an allowance will be paid to that member. Co-habiting members shall only be entitled to make one claim per household for broadband allowance. The level of reimbursement will be the actual amount paid by the member for his or her broadband connectivity up to a maximum of £21.99 per month. Members will need to submit a copy of a recent bill from their service provider indicating the monthly connectivity charge in order to claim the reimbursement



COUNCIL

Report of: Councillor Adam Stokes
Cabinet Member for Finance

Report to:	COUNCIL
Date:	23rd November 2017
Subject:	Proposed amendments to Budget Framework – Revenue and Capital 2017/18 (CFM443)

Decision Proposal:	Budget Framework Proposal
Relevant Cabinet Member:	Councillor Adam Stokes Cabinet member for Finance
Report author:	Richard Wyles, Assistant Director - Finance r.wyles@southkesteven.gov.uk 01476 406210 Date: 9 th November 2017
Reviewed by:	Daren Turner – Strategic Director d.turner@southkesteven.gov.uk 01476 406301 Date: 13 th November 2017
Signed off by:	Daren Turner – Strategic Director d.turner@southkesteven.gov.uk 01476 406301 Date: 13 th November 2017
Approved for publication	Councillor Adam Stokes, Cabinet member for Finance Date: 14 th November 2017

SUMMARY

This report sets out the proposed changes to the budget framework for 2017/18 in order to enable the necessary budget allocations to be made during the financial year.

RECOMMENDATION

Council is asked to approve the following amendments to the 2017/18 budget framework:

Revenue

- St Peter's Hill redevelopment – feasibility works £500,000
- InvestSK - £321,500

Capital

- Disabled Facilities Grant – increase to £733,770 for 2017/18
- St Peter's Hill development – increase to £5.7M

1. BACKGROUND TO REPORT;

- 1.1 The 2017/18 budget framework was approved by Council at its meeting on 2nd March 2017 and it was subsequently amended by Council on 15th June 2017 to include the revenue and capital allocations to facilitate the 'Big Clean' initiative.

Since that time Cabinet has implemented further initiatives and has requested additional in-year funding and subsequent amendments to both the capital and revenue budgetary frameworks are now being requested from Council. The details are contained in the respective agendas for the Cabinet meetings held on 12th October 2017 and 9th November 2017 but an extract of the decisions is provided below.

Revenue Amendments

St Peter's Hill re-development

That Cabinet approves in principle the remodelling of the St. Peter's Hill Council Offices as part of the overall St. Peter's Hill Redevelopment Programme.

That Cabinet approves in principle the refurbishment and possible reconfiguration of the Guildhall Arts Centre as part of the overall St. Peter's Hill Redevelopment Programme.

That Cabinet recommends to Council the allocation of up to £500,000 in the current financial year from revenue reserves in order to facilitate:

- *The accelerated rollout of laptops for staff*
- *The scanning and indexing of paper documents/files*
- *To commission specialist resources to work with the contractor in the development of the detailed options/feasibility stage of the projects*
- *The leasing of temporary office accommodation for staff as required to meet the requirements of the remodelling of St. Peter's Hill offices*

Invest SK

That Cabinet recommends to Council that the 2017/18 budget is amended to include the investment of £321,500 revenue to establish InvestSK.

Capital Amendments

Disabled Facilities Grant

That the Council's Capital programme for 2017/18 be amended to recognise the increased funding of £733,770 which is available from the Better Care Fund for Disabled Facilities Grants.

St Peter's Hill Development – Cinema

That Cabinet approves the revised capital budget of £5.7m and recommends to Council a further allocation of £1,167,637 profiled across the 2017/18, 2018/19, 2019/20.

Summary

	Revenue (£)	Capital (£)
St Peter's Hill and redevelopment feasibility	500,000	
Invest SK	321,500	
Disabled Facilities Grant		733,770
St Peter's Hill - Cinema		5,700,000*
Total	821,500	6,433,770
Financed by:		
Local priorities reserve	821,500	
Capital reserves		5,700,000
Allocated grant		733,770
Total	821,500	6,433,770

*Council had previously approved scheme of £4.532M

Financing Proposals

- 1.2 With respect to the proposed amendments, the increase in the DFG allocation will be wholly met from Government grant and it is agreed that the associated cost of administration will be directly funded from the grant.

It is proposed to finance the additional budget of £1.17M for the St Peter's Hill project from the specific St Peter's Hill reserve which has been replenished from available capital reserves and the local priorities reserve.

With respect to the revenue amendments it is proposed that these will be financed from the local priorities reserve which will reduce the balance from a projected £7.276M to a projected £5.654M.

The details of the reserve movements and balances are shown at Appendix 1.

2. OTHER OPTIONS CONSIDERED

N/a

3. RESOURCE IMPLICATIONS

These are stated within the report.

4. RISK AND MITIGATION

Risk has been considered as part of this report and any specific high risks are included in the table below:

Category Risk	Action / Controls
N/a	

5. ISSUES ARISING FROM IMPACT ANALYSIS (EQUALITY, SAFEGUARDING etc.)

N/a

6. CRIME AND DISORDER IMPLICATIONS

There are none arising.

7. COMMENTS OF FINANCIAL SERVICES

These are included in the report.

8. COMMENTS OF LEGAL AND DEMOCRATIC SERVICES

The in-year change to the budget framework for 2017-2018 is proposed to be approved by Council in accordance with Budget and Policy Framework Procedure Rules.

9. COMMENTS OF OTHER RELEVANT SERVICES

None.

10. APPENDICES

Appendix A – Updated General Fund Capital Programme 2017/18
Updated Capital Financing Statement 2017/18
Updated General Fund Reserves Statement 2017/18

11. BACKGROUND PAPERS

None.

	Description	2016/17 Forecast Outturn £'000	2017/18 Indicative Base £'000	2017/18 Updated Base £'000	2018/19 Indicative Base £'000	2019/20 Indicative Base £'000	2020/21 Indicative Base £'000	2021/22 Indicative Base £'000
	Growth							
	Town Centre Development							
1	<i>St Peter's Hill Redevelopment</i>	310	-	500	5,200	-	-	-
2	Shop front scheme	130	163	130	130	130	-	-
3	Serviced Land	220	-	-	-	-	-	-
4	Property Investment Strategy	-	500	5,000	-	-	-	-
5	Local Authority Controlled Company	-	-	2,800	-	-	-	-
		660	663	8,430	5,330	130	-	-
	Housing							
6	Essential Home Grant Assistance	500	150	274	150	150	150	150
7	<i>Disabled Facilities Grant</i>	100	-	734	-	-	-	-
		600	150	1,008	150	150	150	150
	Culture							
	Provision for Existing Assets							
8	Grantham Council Offices - LV Panel	-	-	-	-	-	-	-
9	Meres Leisure Centre Improvements - 3G Pitch	160	-	-	-	-	-	-
10	Stamford Arts Centre - Theatre Seating	20	-	-	-	-	-	-
11	Meres Leisure Centre Equipment	12	-	-	-	-	-	-
12	Stamford Leisure Centre - Replace HWS Calorifiers	15	-	-	-	-	-	-
13	Bourne Leisure Centre - Replace HWS Calorifiers	-	40	-	-	-	-	-
14	Wyndham Park Improvement Works	-	853	358	119	-	-	-
		207	893	358	119	-	-	-
	Environment							
	Waste Management							
15	Street Scene Vehicle Procurement	185	161	180	525	502	825	130
16	Vehicle Replacement Programme	380	502	735	326	366	55	395
17	Pool Car Vehicles	-	-	124	128	-	-	-
18	Wheelie Bin Replacements	133	111	111	112	113	114	115
19	Big Clean Project	-	-	226	-	-	-	-
		698	774	1,376	1,091	981	994	640
	Corporate							
20	Customer Access Strategy (telephony upgrade)	28	-	-	-	-	-	-
21	Customer Relationship & Document Access Strategy	80	-	-	-	-	-	-
22	Financial System Upgrade	-	-	50	-	-	-	-
23	Sandbox Firewall	-	-	26	-	-	-	-
24	ICT Infrastructure	64	-	-	-	-	-	-
		172	-	76	-	-	-	-
25	TOTAL GENERAL FUND CAPITAL PROGRAMME	2,337	2,480	11,248	6,690	1,261	1,144	790

	Description	2016/17 Outturn £'000	2017/18 Indicative Base £'000	2017/18 Updated Base £'000	2018/19 Indicative Base £'000	2019/20 Indicative Base £'000	2020/21 Indicative Base £'000	2021/22 Indicative Base £'000	
1	Growth	510	663	8,430	5,330	130	-	-	#
2	Housing	466	150	1,008	150	150	150	150	
3	Culture	165	893	358	119	-	-	-	
4	Environment	412	774	1,376	1,091	981	994	640	
5	Corporate	55	-	76	-	-	-	-	
6	TOTAL - CAPITAL PROGRAMME	1,608	2,480	11,248	6,690	1,261	1,144	790	
	GENERAL FUND FINANCED BY:								
7	Supported Borrowing	-	-	-	-	-	-	-	
8	Unsupported Borrowing	-	-	-	-	-	-	-	
9	Specific Reserve - Revenue			226					
10	Specific Reserve - Capital	-	1,019	1,067	49	811	-	-	
11	Specific Reserve - St Peters Hill	370	-	500	5,200	-	-	-	
12	Usable Capital Receipts	520	-	66	803	-	759	405	
13	Capital Grants and Contributions								
	- Disabled Facility Grant	376	-	734	-	-	-	-	
	- Heritage Lottery Funding	-	768	244	177	-	-	-	
14	Direct Revenue Financing								
	- Cemetery Works - SEA	-	5	5	6	-	-	-	
	- Wyndham Park Fountains - SEA	-	5	5	5	-	-	-	
	- Wyndham Park - SEA	-	55	60	-	-	-	-	
	- Mere's Leisure Centre	-	-	-	-	-	-	-	
	- S106 Monies	23	15	15	-	-	-	-	
	- Transformation Reserve	-	15	-	-	-	-	-	
	- ICT reserve	37	-	76	-	-	-	-	
	- Shop Front Scheme	24	98	65	65	65	-	-	
	- Local Priorities Reserve	-	-	7,800	-	-	-	-	
	- Contribution from Revenue	258	500	385	385	385	385	385	
15	TOTAL - GF CAPITAL PROGRAMME	1,608	2,480	11,248	6,690	1,261	1,144	790	

GENERAL FUND RESERVES STATEMENT

	Balance as at 31 March 2016 £'000	Movement on Reserve in year £'000	Balance as at 31 March 2017 £'000	Forecast Movement on Reserve in year £'000 in	Forecast Movement on Reserve in year £'000 out	Forecast Balance as at 31 March 2018 £'000	Forecast Movement on Reserve in year £'000 in	Forecast Movement on Reserve in year £'000 out	Forecast Balance as at 31 March 2019 £'000	Forecast Movement on Reserve in year £'000 in	Forecast Movement on Reserve in year £'000 out	Forecast Balance as at 31 March 2020 £'000
Revenue Reserves												
Service Specific Funds	76	(4)	72		-	72		-	72		-	72
Capacity Building, Priority Setting and Service Improvement Reserve												
Events and Festivals - Gravity, Deepings & Georgian	359	(131)	228		(100)	128		(120)	8		(115)	107
Apprenticeships	100	-	100		(22)	78		(22)	56		(20)	36
Broadband infrastructure	550	-	550		-	550		-	550		0	550
Waste & Recycling Initiatives	156	-	156		-	156		-	156		0	156
Support for Corporate Reviews	53	-	53		-	53		-	53		0	53
Business Support	100	-	100		-	100		-	100		0	100
ICT investment	300	(32)	268		(96)	172		-	172		-	172
Transformation Programme	829	(137)	692		(21)	671		(22)	649		-	649
BR and CTS volatility Reserve	1,729	-	1,729		(663)	1,066		214	1,280		(339)	941
Maintenance	134	(134)	-		-	-		-	-		-	-
Economic Development & Growth	150	(59)	91		(60)	31		(120)	89		-	89
Tourism	50	(10)	40		-	40		-	40		-	40
Building Control	37	(37)	-		-	-		-	-		-	-
Community Based Initiatives												
Hardship & Welfare	50	-	50		-	50		-	50		-	50
Future Service Improvement Reserve	1,347	-	1,347		(47)	1,300		(47)	1,253		(49)	1,204
Community Fund	239	(89)	150		(90)	60		(60)	-		-	-
	6,183	(629)	5,554		(1,099)	4,455		(177)	4,278		(523)	3,755
Local Priorities Reserve	9,752	3,985	13,737	3,168	(11,252)	5,654	2,200	-	7,854	2,000	-	9,854
Invest to Save	358	-	358		-	358		-	358		-	358
Insurance Reserve	350	-	350		-	350		-	350		-	350
Pensions Reserve - Former Employees	185	35	220		(69)	151		(70)	81		(71)	10
- Current Employees	1,513	912	2,425		(101)	2,324		(727)	1,597		(847)	750
Building Control	(91)	25	(66)	6		(60)	15		(45)	23		(22)
Special Expense Areas Reserve	161	41	202	31	(70)	163	62	(11)	214	71		285
Total General Revenue Reserves	18,487	4,365	22,852		(12,591)	13,467		(985)	14,759		(1,441)	15,412
Government Grants Received	517	175	692		(62)	630		(32)	598		-	598
Working Balance	1,913	(115)	1,798		-	1,798		-	1,798		-	1,798
Total Revenue Reserves	20,917	4,425	25,342		(12,653)	15,895		(1,017)	17,155		(1,441)	17,808
Capital Reserve												
Local Authority Mortgage Scheme Reserve	199	67	266	38	-	304	26	-	330			330
General Fund Capital Reserve	2,008	0	2,008	1,000	(2,008)	1,000	1,000	(49)	1,951		(811)	1,140
St Peter's Hill Development	889	(370)	519	2,684	(500)	2,703	2,497	(5,200)	0		0	0
Useable Capital Receipts Reserve	2,540	384	2,924	815	(66)	3,673	200	(3,300)	573		-	573
Total Capital Reserves	5,636	81	5,717	4,537	(2,574)	7,680	3,723	(8,549)	2,854	0	(811)	2,043
Total General Fund Reserves	26,553	4,506	31,059	4,537	(15,227)	23,575	3,723	(9,566)	20,009	0	(2,252)	19,851



COUNCIL

Report of: Councillor Matthew Lee
The Leader of the Council

Report to:	Council
Date:	23 November 2017
Subject:	The Leader's Scheme of Delegation (LDS246)

Decision Proposal:	For information
Relevant Cabinet Member:	Councillor Matthew Lee The Leader of the Council
Report author:	Jo Toomey (Principal Democracy Officer) Tel: 01476 40 61 52 E-mail: j.toomey@southkesteven.gov.uk Date: 7 November 2017
Reviewed by:	Lucy Youles (Assistant Director, Legal & Democratic) Tel: 01476 40 61 05 E-mail: l.youles@southkesteven.gov.uk Date: 13 November 2017
Signed off by:	Daren Turner (Strategic Director) Tel: 01476 40 63 01 E-mail: d.turner@southkesteven.gov.uk Date: 13 November 2017
Approved for publication	Councillor Matthew Lee, the Leader of the Council Date: 13 November 2017

SUMMARY

This report formally records the revised delegations made by the Leader of the Council to Cabinet Members in relation to their respective portfolio remits.

RECOMMENDATION

That the Council notes the revised portfolio remits of each of the Cabinet. Members as set out in the Leader's revised Scheme of Delegation.

1. BACKGROUND TO REPORT

1.1 South Kesteven District Council operates a Leader and Cabinet arrangement as established under the Local Government Act 2000. In 2010 the Council adopted the strong Leader model under provisions within the Local Government and Public Involvement in Health Act 2007. Within this model the Leader may make delegations to individual members of the Cabinet.

1.2 At the Council meeting held on 21 September 2017, the Leader announced changes to his Scheme of Delegation in respect of the portfolio remits of some members of his Cabinet. This report has been submitted to Council to formally record the Leader's revised Scheme of Delegation which is set out in paragraphs 1.3 to 1.11 of this report.

1.3 The Leader – Councillor Matthew Lee

Chairman of the Cabinet, responsible for organisational vision and objectives and key strategic partnerships. Cabinet Member for HR and Cultural Services (Arts, Heritage, Leisure & Sports)

Remit:

- Arts
- Fairs
- Festivals
- Heritage
- Historic Parks and Gardens
- HR & Organisational Development
- Leisure Centres
- Sports, Sports Development, Health and Fitness

1.4 The Deputy Leader - Councillor Kelham Cooke

Cabinet Member for Business Transformation and Commissioning – overarching cross cutting role that operates across all service areas with direct accountability for services underpinning organisational effectiveness namely, information technology, customer services, driving commerciality, procurement, legal and assets.

Remit:

- Business Transformation
- Council Owned Property, Assets & Maintenance (Non Council House)
- Customer Services
- Elections
- FOI Requests
- Governance & Data Protection
- IT
- Legal & Democratic Services
- Procurement

1.5 Cabinet Member for Economy & Development – Councillor Mike King

Strategic housing and planning policy including Local plan development, identifying key housing and employment sites with appropriate land allocations to meet need. Maximise and develop opportunities for indigenous and inward investment across the District, developing Grantham as a leading sub regional centre. Development of key housing, commercial and infrastructure delivery schemes. Support the delivery of strategic business investments in Grantham, Stamford, Bourne and the Deepings. Facilitate close working with the private sector on potential joint venture/partnership schemes. Maximise external funding opportunities creating a network of business locations, office floor space, and start up and move on space. Liaison with Local Enterprise partnerships regarding funding schemes and programmes.

Remit:

- Agricultural and Rural Economy
- Building Control
- Business & Enterprise
- Conservation
- Delivery of large scale retail, housing and industrial developments
- Economic Strategy
- Grants & Assistance
- Inward Investment
- Industrial Estates
- Local plan
- Neighbourhood Plans
- Planning Services & Policies
- Southern quadrant development including Garden Village

1.6 Cabinet Member for Health, Well-being and Skills – Councillor Jacky Smith

Overview of the prevailing future Strategic Health agenda and its impact on local communities in relation to health and inequalities and future service provision. The development of a business and community based skills agenda, engagement and involvement with local community groups and special projects.

Remit:

- Equalities
- Health
- Safeguarding
- Skills
- St Peters Hill Cinema Development
- Well-being

1.7 Cabinet Member for Retail and Visitor Economy – Councillor Nick Robins

Adopting a key focus on revitalising town centres, promoting the distinctiveness of 4 market towns, developing leisure destinations that serve the local community and attract shoppers and visitors from a wider area, expanding the visitor economy. Develop new tourism products and support close working with existing and emerging tourism attractions. Supporting business led town centre initiatives and creation of vibrant, enhanced market offer across the four towns. Proactive and positive Town Council liaison and engagement.

Remit:

- Business Rate Relief
- Car parks
- Charitable Rate Relief
- Farmers & Specialist Markets
- Markets
- Rural Rate Relief
- Shop front designs and funding
- Street furniture
- Street parking permits
- Tourism
- Town centre development & partnerships
- Town Council Liaison

1.8 Cabinet Member for Communities - Councillor Nick Neilson

Supporting communities to thrive and prosper. Development of new market and affordable housing to meet the needs of local communities both in towns and across the rural areas of the district. Recognise and support the importance of housing provision and delivery via effective HRA Business Planning and revised housing strategy. Engagement and involvement with local community groups and positive and proactive Parish Council liaison.

Remit:

- Anti-social behaviour
- Assisted Garden Maintenance Scheme
- Benefit Claims
- Community Funding & Volunteering
- Community Right to Bid
- Community Safety and Local Policing
- DASH Landlord Accreditation Scheme
- Disabled Facilities Grant
- Empty Homes Assistance
- Empty Homes Discount
- Equalities & Diversity
- Essential Home Repair Assistance
- Homelessness
- Housing Management, Improvement and Repairs
- Landlords Forum
- Parish Council Liaison

1.9 Cabinet Member for Communications and Engagement – Councillor Helen Goral

Working across all service areas, promoting and developing best practice approach to Corporate communications and resident /stakeholder engagement. Development of effective, proactive communication strategy, enhancing reputation management, strengthening the council's identity and brand with residents, businesses and partners.

Overview of key initiatives and programmes to “put the Council on the map” raise awareness of investment opportunities and the district's potential as a desirable place in which to live work or visit. Building a comprehensive engagement programme with communities to gather feedback, customer intelligence and insight to inform future policies and service development.

Remit:

- Brand Management and place marketing
- Engagement
- Communications
- Consultations

1.10 Cabinet Member for Finance – Councillor Adam Stokes

Effective use of financial resources, supporting and facilitating the delivery of Council objectives. Ensuring the continued development and review of financial governance frameworks, investment policies and forward planning and forecasting. Consideration of pooling arrangements, business rate retention models and efficiency plan. Effective budget preparation and risk management to enable optimum use of available financial resources.

Remit:

- Audit and accountability
- Budget preparation and Council tax
- Council tax collection
- Finance and accountancy
- Fraud investigation
- Grants and subscriptions
- Non-Domestic rates
- Risk management

1.11 Cabinet Member for Environment – Councillor Dr Peter Moseley

Developing and maintaining healthy, clean environment within South Kesteven. Development of effective environmental strategies and policies to benefit local communities. Overview of waste collection and recycling initiatives including representation on the countywide Strategic Waste Partnership. Implement and review key environmental protection strategies and programmes. Ensure communities are safe clean and healthy via effective street cleansing

operations and licensing policies. Develop and foster community safety/protection initiatives in liaison with key partners e.g. health, police and other statutory agencies including environment agency and adapt to encompass and ensure fit for purpose, cost effective arrangements to respond to increasing demand as a result of forecast population growth. Explore, evaluate and identify commercially viable opportunities across the remit where appropriate.

Remit:

- Air Quality
- Alcohol, entertainment and leisure licensing
- Allotments
- Animal Welfare licensing
- Business Trade & Licensing
- CCTV
- Commercial, Industrial and Clinical Waste Collection and Management
- Dog breeding & control orders
- Domestic Waste & Recycling Management
- Energy Efficiency
- Estate and Grounds Maintenance
- Flooding
- Food Hygiene and Safety
- Gambling & Lotteries licensing
- Health & Safety
- Noise
- Public Conveniences
- Renewable Energy
- Scrap Metal Dealers
- Street Lighting
- Street Services and Green Open Space Management
- Tattoo, licensing and hygiene rating system
- Taxi & private vehicle, driver and operator licensing
- Wild animal licences

2. OTHER OPTIONS CONSIDERED

2.1 Not applicable

3. RESOURCE IMPLICATIONS

3.1 There are not resource implications arising as a result of this report.

4. RISK AND MITIGATION

4.1 Risk has been considered as part of this report and no high risks have been identified.

5. ISSUES ARISING FROM IMPACT ANALYSIS (EQUALITY, SAFEGUARDING etc.)

5.1 No impact analysis is necessary as a result of this report.

6. CRIME AND DISORDER IMPLICATIONS

6.1 There are no crime and disorder implications arising as a result of this report.

7. COMMENTS OF FINANCIAL SERVICES

7.1 There are no financial comments arising as a result of this report.

8. COMMENTS OF LEGAL AND DEMOCRATIC SERVICES

8.1 Article 8.3 of the Council's Constitution states that the Leader will determine the size of the Cabinet, appointment members to the Cabinet, allocate Portfolio areas to Cabinet Members, allocate decision-making power to Cabinet and individual Cabinet Members, and remove and replace Cabinet Members.

9. COMMENTS OF OTHER RELEVANT SERVICES

9.1 None.

10. APPENDICES

10.1 None.

11. BACKGROUND PAPERS

11.1 None.



COUNCIL

Report of: Councillor Matthew Lee
The Leader of the Council

Report to:	Council
Date:	23 November 2017
Subject:	Cabinet meetings held since 21 September 2017 (LDS248)

Decision Proposal:	For information
Relevant Cabinet Member:	Councillor Matthew Lee The Leader of the Council
Report author:	Jo Toomey (Principal Democracy Officer) Tel: 01476 40 61 52 E-mail: j.toomey@southkesteven.gov.uk Date: 7 November 2017
Reviewed by:	Lucy Youles (Assistant Director, Legal & Democratic) Tel: 01476 40 61 05 E-mail: l.youles@southkesteven.gov.uk Date: 13 November 2017
Signed off by:	Daren Turner (Strategic Director) Tel: 01476 40 63 01 E-mail: d.turner@southkesteven.gov.uk Date: 13 November 2017
Approved for publication	Councillor Matthew Lee, the Leader of the Council Date: 13 November 2017

SUMMARY

Since the last meeting of the Council on 21 September 2017, the Cabinet has met on:

- 12 October 2017; and
- 9 November 2017

This report contains the reports submitted to, and the minutes of, those meetings for Members' information.

RECOMMENDATION

That the Council notes the reports submitted to and the minutes of the Cabinet meetings held on:

- 12 October 2017; and
- 9 November 2017

1. BACKGROUND TO REPORT

- 1.1** South Kesteven District Council operates a Leader and Cabinet arrangement as established under the Local Government Act 2000. In 2010 the Council adopted the strong Leader model under provisions within the Local Government and Public Involvement in Health Act 2007.
- 1.2** The Local Authorities (Functions and Responsibilities) (England) Regulations 2000 set out the responsible body for different functions, specifically those functions that are not executive functions, those that may be determined by an authority's executive and those functions that are not the sole responsibility of the executive. All other functions are, by default, executive functions and would therefore, under South Kesteven District Council's arrangements, be determined by the Cabinet. The requirements of these Regulations mean that at its meetings, the Cabinet may make some decisions outright whilst in other instances it may make recommendations to Council.

2. OTHER OPTIONS CONSIDERED

- 2.1** Not applicable.

3. RESOURCE IMPLICATIONS

- 3.1** Not applicable.

4. RISK AND MITIGATION

Risk has been considered as part of this report and no specific high risks were identified.

5. ISSUES ARISING FROM IMPACT ANALYSIS (EQUALITY, SAFEGUARDING etc.)

- 5.1** An equality analysis is not applicable to this report. Analysis will be carried out as required in respect of decisions by the Cabinet.

6. CRIME AND DISORDER IMPLICATIONS

- 6.1** There are no crime and disorder implications arising from this report.

7. COMMENTS OF FINANCIAL SERVICES

- 7.1** There are no financial comments arising as a result of this report.

8. COMMENTS OF LEGAL AND DEMOCRATIC SERVICES

- 8.1** There is a requirement to publish Cabinet decisions in accordance with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012. These minutes have been recorded to inform Members of the deliberations at the meeting.

9. COMMENTS OF OTHER RELEVANT SERVICES

- 9.1** None

10. APPENDICES

10.1 Appendix A: 12 October 2017

- Minutes of the meeting held on 12 October 2017
- Report ENV669: Private Sector Housing Renewal Policy – Independent Living
- Report TC0001: St. Peter's Hill re-development – office re-modelling and Guildhall
- Report PD023: St. Peter's Hill re-development – cinema
- Report CFM438: Update to the Capital Programme 2017/18
- Report PD024: off-street parking places order – leisure tariff
- Non-key decision notice: Use of Section 106 Agreement Open Space Funds
- Urgent non-key decision notice: Agreement of the draft housing strategy and action plan for consultation
- Urgent non-key decision notice: Armed Forces Community Covenant
- Non-key decision notice: Discretionary rate relief scheme
- Non-key decision notice: Colsterworth and Skillington Neighbourhood Plan – Correction of Minor Error
- Non-key decision notice: To enter into a 2-year lease of the second floor, The Maltings, Wharf Road, Grantham, NG31 6BH

10.2 Appendix B: 9 November 2017

- Minutes of the meeting held on 9 November 2017 (to follow)
- Report CFM441: Review of Community Fund
- Report iSK001: Invest SK
- Report: ENV671: Trade Waste
- Non-key decision notice: Award of capital works contract at Wyndham Park, Grantham as part of the Heritage Lottery Fund Improvement Project
- Non-key decision notice: Authority to proceed with the acquisition of office property

11. BACKGROUND PAPERS

- 11.1** None

MINUTES

CABINET

THURSDAY, 12 OCTOBER 2017



THE LEADER: Councillor Matthew Lee (Chairman)

THE DEPUTY LEADER: Councillor Kelham Cooke

CABINET MEMBERS PRESENT

Councillor Helen Goral
Councillor Dr Peter Moseley
Councillor Nick Neilson
Councillor Nick Robins
Councillor Jacky Smith
Councillor Adam Stokes

NON-CABINET MEMBERS PRESENT

Councillor Mike Exton
Councillor Linda Wootten
Councillor Ray Wootten

OFFICERS

Chief Executive (Aidan Rave)
Strategic Director, Corporate (Daren Turner)
Strategic Director, Environment (Tracey Blackwell)
Strategic Director, Growth (Steve Ingram)
Assistant Director, Environment (Ian Yates)
Assistant Director, Growth & Development (Paul Thomas)
Assistant Director, Legal & Democratic (Lucy Youles)
Assistant Director, Property Delivery (Neil Cucksey)
Assistant Director, Transformation & Change (Judith Davids)
Corporate Finance Manager (Richard Wyles)
Strategic Lead, Programme Delivery (Lee Sirdifield)
Interim Service Manager, Communication (Adrian Smith)
Principal Democracy Officer (Jo Toomey)

CO67.APOLOGIES

An apology for absence was received from Councillor King.

CO68. MINUTES OF THE MEETING HELD ON 7 SEPTEMBER 2017

The minutes of the meeting held on 7 September 2017 were agreed as a correct record.

CO69. DISCLOSURE OF INTERESTS (IF ANY)

No interests were disclosed.

CO70. *PRIVATE SECTOR HOUSING RENEWAL POLICY - INDEPENDENT LIVING

Decision:

- 1. Cabinet approves the Private Sector Housing Assistance Policy – Independent Living**
- 2. That the Council's Capital programme for 2017/18 be amended to recognise the increased funding of £733,770 which is available from the Better Care Fund for Disabled Facilities Grants**
- 3. That delegated authority is given to the Cabinet Member for Communities to make any minor amendments to the policy that may be required to support its continued effectiveness**

Considerations/reasons for decision

1. Report number ENV669 of the Cabinet Member for Communities and the draft Private Sector Housing Assistance Policy appended to the report.
2. Local authorities' statutory duty to provide disabled facilities grants.
3. The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002, which includes a general power to give financial assistance for home repair, improvement and adaptation if it is given in accordance with a published policy.
4. The district council's 2017/18 grant entitlement of £733,770 from the Government Better Care Fund.
5. Offering preventative solutions can help reduce reliance on health and social care.
6. Based on the current demand for mandatory disabled facilities grants, an underspend had been forecast in 2017/18.
7. Considerations of the Communities and Wellbeing Overview and Scrutiny Committee at its meetings on 11 July and 5 September 2017, including a recommendation to adopt the policy.
8. Statistical information on the impact of means-testing on grant applications.
9. Mandatory disabled facilities grants only address the needs of a person in respect of their disability while a Better Care Fund capital grant could support wider social care outcomes.
10. Comments made by the Chairman of the Communities and Wellbeing

Overview and Scrutiny Committee at the meeting.

Other options considered

The Council does not have to offer discretionary financial assistance, but failure to do so could leave vulnerable people at risk of avoidable harm. There was an expectation from Government that the increased funding levels will lead to better outcomes for residents and reduced reliance on health and social care services.

* * *

In introducing the proposals, the Cabinet Member for Communities provided contextual information about changes to the funding level and distribution of disabled facilities grants. The proposed policy had been designed to help improve the speed of the application process. Specific reference was made to dementia aids and adaptations, which was a new area for which grants could be awarded, and the referral process for those. Cabinet Members stated that the increased funding and movement away from means-testing could improve the quality of life for a number of people and bring benefits that would especially be felt by other public services.

A request was made that the projected outturn of the fund, taking account of grants awarded, should be kept under review to enable the adjustment of criteria in-year should an underspend be projected.

Cabinet members agreed the recommendations listed in report number ENV669.

CO71. *ST. PETER'S HILL RE-DEVELOPMENT - OFFICE REMODELLING AND GUILDHALL

Decision:

- 1. That Cabinet approves in principle the remodelling of the St. Peter's Hill Council Offices as part of the overall St. Peter's Hill Redevelopment Programme.**
- 2. That Cabinet approves in principle the refurbishment and possible reconfiguration of the Guildhall Arts Centre as part of the overall St. Peter's Hill Redevelopment Programme.**
- 3. That Cabinet recommends to Council the allocation of up to £500,000 in the current financial year from revenue reserves in order to facilitate:**
 - The accelerated rollout of laptops for staff**
 - The scanning and indexing of paper documents/files**
 - To commission specialist resources to work with the contractor in the development of the detailed**

options/feasibility stage of the projects

- **The leasing of temporary office accommodation for staff as required to meet the requirements of the remodelling of St. Peter's Hill offices.**

Considerations/reasons for decision

1. Report number TC0001 of the Deputy Leader as the Cabinet Member for Business Transformation and Commissioning.
2. Comments made by the Leader of the Council during the annual Council meeting on 20 April 2017 about the working environment and available equipment within the Council offices.
3. The Guildhall Arts Centre role as part of the leisure and cultural offer available in the St. Peter's Hill area.
4. Making better use of the space available in the St. Peter's Hill offices would reduce the footprint necessary to accommodate all officers, releasing space in other parts of the building for commercial letting.
5. The planned programme of work including completion of a feasibility study, provision of accommodation during re-fit work, electronic document storage and acceleration of the IT refresh programme

Other options considered

No other options considered at this stage.

* * *

In presenting the report, the relevant Cabinet Member informed members that an initial feasibility study of the project had been conducted. A project office had been set up and a group of staff met on a regular basis to talk about the proposals and project updates.

During discussion of the item, Cabinet members referred to the wider objectives of the St. Peter's Hill redevelopment, specifically the provision of an enhanced leisure offer. Members also noted the opportunities the re-development would have in the creation of a business incubation centre and subsequent opportunities to generate income. Links were also made between service delivery, the working environment and the quality of the equipment available to Council officers.

All Cabinet members indicated their support of the recommendations.

CO72. *ST PETER'S HILL RE-DEVELOPMENT - CINEMA

Decision:

1. **That Cabinet approves the business case attached at Appendix A to report number PD023 and the exempt appendices to the business case which comprises Options Appraisal, Heads of Terms with the Cinema Operator, Order of costs estimate and the updated**

risk register.

- 2. That Cabinet recommends the revised capital budget of £5.7m and recommends to Council a further allocation of £1,167,637 profiled across 2017/18, 2018/19 and 2019/20.**
- 3. That Cabinet agrees to the permanent closure of St. Catherine's Road car park from Friday 3 November 2017 to enable the cinema development to progress and allow preparatory ground works and demolition of the garage to be carried out.**
- 4. That Cabinet approves the Heads of Terms attached as an exempt appendix to report number PD023 and delegates authority to the Strategic Director, Development and Growth to conclude an agreement for lease followed by a lease with the preferred cinema operator in conjunction with the Cabinet Member for Health, Wellbeing and Skills and the Council's legal advisors.**

Considerations/reasons for decision

1. Report number PD023 and its appendices including a draft business case, options appraisal, Heads of Terms with the cinema operator, an order of costs estimate and the updated risk register.
2. The change in the specification of the cinema from six screens (including the refurbishment of the two existing screens) to a bespoke new five-screen cinema with restaurant space and additional floor space for compatible uses.
3. Financial comments related to the loss of income from St. Catherine's Road Car Park.

Other options considered

Keep the site as a surface car park and two screen cinema: the majority of the site is composed of a surface car park. This is only available to the public after 6pm on weekdays and on Saturday and Sunday. The car park has only a very limited contribution to the economic activity of the town centre.

* * *

The existing two screen cinema has approximately 60,000 attendances per annum. The cinema is constrained in offering latest releases and other ancillary entertainment such as live broadcasts due to only having 2 screens. The current offer does not compete well with multi-screen offers in Newark, Nottingham and Lincoln.

The cinema project, which formed part of the wider St. Peter's Hill re-development complemented the previous report on wider office re-modelling and the Guildhall. The responsible Cabinet Member stated that detailed plans were being drawn up for the design and costings so that work could commence. From 3 November 2017 St. Catherine's Road car park would be

closed and hoardings would be erected around the site in preparation for the commencement of work onsite.

Non-Cabinet members asked questions about whether it was still the intention to include a restaurant and retail offer as part of the development, and about the provision of a replacement cycle centre and changing facility, ensuring continued accessibility for members of the public.

On being put to the vote, all of the Cabinet members indicated their support of the recommendations.

CO73.UPDATE TO THE CAPITAL PROGRAMME 2017/18

Decision:

Cabinet recommends to Council the following amendments to the Capital Programme:

- **Disabled facilities grant – increase to £733,770 for 2017/18**
- **St. Peter's Hill development – increase to £5.7m**

Considerations/reasons for decision

1. Report number CFM438 of the Cabinet Member for Finance.
2. The decisions made in relation to agenda items 4 (Private Sector Housing Renewal Policy – Independent Living), 5 (St. Peter's Hill re-development – office remodelling and Guildhall) and 6 (St. Peter's Hill re-development – cinema) - minute numbers 70, 71 and 72.
3. The increase in the allocation of disabled facilities grants will be met from Government.
4. The outcome of negotiations relating to the heads of terms with the preferred cinema provider and preliminary works onsite.

Other options considered

No other options have been assessed.

* * *

Cabinet Members unanimously agreed to support the recommendations in report CFM438.

CO74.OFF-STREET PARKING PLACES ORDER - LEISURE TARIFF

Decision:

Cabinet approves the following tariff structure for Welham Street multi-storey car park for consultation in accordance with the Road Traffic Regulation Act 1984 and the Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996:

<u>Duration</u>	<u>Proposed tariff, levels 1 to 6</u>
Up to 3 hours	£1.00
Up to 4 hours	£1.50
Up to 6 hours	£3.00
Over 6 hours	£10.00

Considerations/reasons for decision

1. Report number PD024 of the Cabinet Member for Retail and Visitor Economy and the proposed amendments to the existing car parking order attached at Appendix 1.
2. The “leisure tariff” forms part of the proposed Heads of Terms developed with the preferred cinema operator for the St. Peter’s Re-development project.
3. Comments and recommendations made by the Growth Overview and Scrutiny Committee at its meeting on Wednesday 4 October 2017.
4. The tariff would also help shoppers visiting Grantham town centre for other leisure purposes.
5. The objectives of the St. Peter’s Hill redevelopment project.
6. Requirements of the Road Traffic Regulation Act 1984 and the Local Authorities Traffic Orders (Procedure) (England and Wales) Regulations 1996.
7. Consultation and notice requirements for introducing new car parking arrangements.

Other options considered

A car park charge rebate scheme to cinema customers was promoted to the Council by the cinema operator but was rejected in further negotiations over the development of the Heads of Terms.

* * *

During discussion of the issue, Cabinet members were advised of the new arrangements for paying for car parking that were being explored, including solutions that would allow for payment on exit.

An amendment to the car parking structure detailed in report number PD024 was proposed and seconded (deletions struck through and additions underlined):

Duration	Current charge Levels 1 - 2	Current Charge Levels 3 - 6	Proposed new tariff Levels 1 - 6
Up to 30 mins	50p	n/a	n/a
Up to 1 hour	80p	n/a	n/a
Up to 2 hours	£1.30	n/a	n/a

Up to 3 hours	£1.80	£1.80	£1.00
Up to 4 hours	£3.00	£2.50	£1.50
Over 4 Up to 6 hours	£4.00	£3.00	£3.00
Over 6 hours	n/a	n/a	£10.00

The rationale behind the proposal was to ensure that there was turnover of spaces for leisure purposes and not filled all day with commuters. It was also clarified that the banded charges on the list (up to 30 minutes, up to 1 hour and up to 2 hours) with n/a listed in the proposed tariff would be subsumed within the tariff for up to 3 hours.

In voting, Cabinet members approved the revised tariff structure noted above and authorised consultation thereon in accordance with the relevant Regulations.

CO75. MATTERS REFERRED TO CABINET BY THE COUNCIL OR OVERVIEW & SCRUTINY COMMITTEES

Report number LDS237 summarised the activity of the Overview and Scrutiny Committees since the last report was presented to Cabinet on 7 September 2017. A summary of the issues considered by the Growth Overview and Scrutiny Committee, which met after the publication of the Cabinet agenda, was included within the pack of supplementary documents.

The Chairman of the Communities and Wellbeing Overview and Scrutiny Committee drew Cabinet Members' attention to the item on community cohesion and asked for the support of the Cabinet. The Cabinet expressed its support of the committee's work on community cohesion; the Cabinet Member for Health, Wellbeing and Skills was tasked to liaise with the committee to ascertain its direction, proposals and resources while Councillor Adam Stokes was tasked with including financial provision to support community cohesion activity in the 2018/19 budget.

Reference was also made to the Communities and Wellbeing Scrutiny Committee's work reviewing the arrangements for the South Kesteven Community Fund and its support of the re-signing of the armed forces community covenant.

The Chairman of the Culture and Tourism Overview and Scrutiny Committee informed Cabinet members that the Committee was part way through a series of workshops in its development of a new cultural strategy.

The Chairman of the Environment Overview and Scrutiny Committee made reference to the Big Clean Project, in which it had been involved.

CO76. ITEMS RAISED BY CABINET MEMBERS INCLUDING REPORTS ON KEY AND NON KEY DECISIONS TAKEN UNDER DELEGATED POWERS.

Report number LDS238 informed the Cabinet of decisions that had been taken

by individual members since the last meeting of the Cabinet was held on 7 September 2017. An additional appendix (Appendix F) to the report was circulated to Cabinet members at the meeting as part of a pack of supplementary papers, as the decision to which it related had been made after the agenda had been published.

Appendix A: Use of Section 106 Agreement Open Space Funds

A question was raised by a non-Cabinet member in relation to the release of funding for enhancement of existing play facilities in Stamford. Confirmation was awaited from Stamford Town Council of match-funding.

The Cabinet asked officers to follow-up the progress of the release of funding.

Appendix B: Agreement of the draft Housing Strategy and Action Plan for wider consultation

An urgent non-key decision was taken to amend the draft Housing Strategy as agreed by the Cabinet on 7 September 2017 prior to its release for public consultation. The changes that had been made to the policy were highlighted in the version of the policy that was appended to the decision.

Appendix C: Armed Forces Community Covenant

An urgent non-key decision was taken to approve the signing of the covenant, which had subsequently taken place.

Appendix D: Discretionary Business Rate Relief Scheme

Following rollout and review of the business rate relief scheme approved by the Cabinet Member for Retail and Visitor Economy following discussion at Cabinet on 13 July 2017, a subsequent decision was made to broaden the scheme's criteria to optimise usage of the available funding.

Appendix E: Colsterworth and District Neighbourhood Plan – correction of minor error

Colsterworth and District Parish Council had made a minor amendment to correct an error in its Neighbourhood Plan, requiring it to be re-adopted by this Council.

Appendix F: To enter into a 2-year lease of the second floor, The Maltings, Wharf Road, Grantham, NG31 6BH

The lease arrangement had been entered into in support of the St. Peter's Hill re-development project and would become the base for the Invest SK team as part of the Council's focus on economic development and regeneration.

CO77.REPRESENTATIONS RECEIVED FROM NON CABINET MEMBERS

Report number LDS236 of the Leader of the Council informed Cabinet Members that no requests to speak by non-Cabinet members had been received prior to the publication of the agenda, nor had any such requests been received after the agenda had been published.

CO78.CABINET FORWARD PLAN

Report number LDS236 provided an overview of the items the Cabinet could expect to see on its agenda between 1 November 2017 and 31 January 2018. The report also included the items that were due for consideration by the full Council in the same period.

One update was made to the programme, which stated that the Lincolnshire Homelessness Strategy was due to be considered by the Communities and Wellbeing Overview and Scrutiny Committee at its meeting on 7 November 2017. Instead, this item was now due to be considered at a joint meeting of the Communities and Wellbeing, Growth and Rural Overview and Scrutiny Committees, expected to be held on 21 November 2017.

CO79.CLOSE OF MEETING

The meeting was closed at 15:12.

DATE DECISIONS EFFECTIVE:

Decisions CO70, CO71 (1 and 2 only), CO72 (1, 3 and 4 only) and CO74 as made on 12 October 2017 can be implemented on Monday 23 October 2017, unless subject to call-in by an Overview and Scrutiny Committee Chairman or any five members of the Council from any political group.

The recommendations made at items CO71 (3), CO72 (2), CO73 stand referred to Council on 23 November 2017.



CABINET

Report of: Councillor Nick Neilson
Cabinet Member for Communities and Wellbeing

Report to:	Cabinet
Date:	12 October 2017
Subject:	Private Sector Housing Assistance Policy – Independent Living (ENV669)

Decision Proposal:	Key decision
Relevant Cabinet Member:	Councillor Nick Neilson, Cabinet Member for Communities
Report author:	Anne-Marie Coulthard – Service Manager, Environmental Health Tel: 01476 406319 E-mail: a.coulthard@southkesteven.gov.uk Date: 12 September 2017
Reviewed by:	Ian Yates – Assistant Director, Environment Tel: 01476 406301 E-mail: i.yates@southkesteven.gov.uk Date: 22 September 2017
Signed off by:	Tracey Blackwell – Strategic Director, Environment and Property Tel: 01476 403058 E-mail: t.blackwell@southkesteven.gov.uk Date: 25 September 2017
Approved for publication	Councillor Mr Nick Neilson, Cabinet Member for Communities Date: 25 September 2017

SUMMARY

This report presents the draft Private Sector Housing Assistance Policy for Independent Living for consideration by the Cabinet.

Government funding for Disabled Facilities Grants (DFGs) changed significantly in 2015/16 when it became part of the Better Care Fund (BCF), a pooled budget between the NHS and upper tier councils. The aim of the fund is to provide more joined-up and customer focused services to reduce hospital and care admissions and enable people to return from care more quickly.

The Central Government allocation for South Kesteven in 2017/18 is £733,770, an increase of over 50% on the amount received in the previous year. This increase is in recognition of the rising need for adaptations and to encourage a more joined up approach.

A draft policy which will effectively utilise the increased allocation has been developed with the Communities and Wellbeing Overview and Scrutiny committee. The policy seeks to support a timely and streamlined service which aims to prevent, reduce or delay the need for interventions by health and social care services, and support vulnerable individuals to remain safe and well in their own homes.

RECOMMENDATION

It is recommended that:

1. Cabinet approves the Private Sector Housing Assistance Policy – Independent Living.
2. That the Council's Capital programme for 2017/18 be amended to recognise the increased funding of £733,770 which is available from the Better Care Fund for Disabled Facilities Grants.
3. That delegated authority is given to the Cabinet Member for Communities and Wellbeing to make any minor amendments to the policy that may be required to support its continued effectiveness.

1. BACKGROUND TO REPORT

- 1.1** Local housing authorities have a statutory duty to provide disabled facilities grants (DFGs), however, there is also a general power under the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 to give financial assistance for home repair, improvement and adaptation, provided it is given in accordance with a published policy. This assistance can be unconditional or subject to conditions, such as repayment if the property is sold within a number of years or a means test.
- 1.2** On 28 June 2017, the Council received a grant allocation of £733,770 from Lincolnshire County Council in respect of the District Council's entitlement from the Government Better Care Fund. This is a significant increase on the previous year's allocation (£376,000).
- 1.3** The increased funding allocation for 2017/18 provides an opportunity for a more holistic, proactive and flexible approach to supporting independent living and providing disabled adaptations.
- 1.4** The accessibility of the home is important for successful hospital discharge, to enable care to take place at home, and to allow people to live independent lives wherever possible. The majority of disabled people are not in specialist accommodation, but live in their own homes and wish to remain there, or have limited opportunities to move to more suitable accommodation. Offering preventative solutions can help older and disabled people maintain their self

respect, reduce injury and hospital admission costs to the NHS, reduce reliance on social care, and stay in the community.

- 1.5** Based on the current demand for mandatory disabled facilities grants it is forecast that there will be an under spend in 2017/18. This is despite the increased national demand for adaptations due to people living longer, living with more complex needs and the reduction in care and nursing home capacity. To utilise the funding beyond mandatory DFGs a Private Sector Housing Policy – Independent Living has been developed with the Communities and Wellbeing Overview and Scrutiny Committee. Options were presented to the Committee at their meeting of 11 July 2017 (see background papers) and following feedback, a draft policy was presented at the meeting on 5 September 2017. The Communities and Wellbeing Overview and Scrutiny Committee have recommended to Cabinet that the draft Private Sector Housing Assistance Policy for independent living is approved for adoption.
- 1.6** The draft policy proposes amendments to the current discretionary assistance which is already available and introduces new forms of assistance. The assistance focuses on key areas which aim to speed up the process by reducing administration relating to the means test and broadening the scope of work undertaken. With the exception of mandatory disabled facilities grants, all of the forms of financial assistance in the policy are at the Council's discretion and subject to available budget and will be withdrawn once available funds are exhausted. The table below summarises the proposed changes:

Type of assistance	Means test	Land charge	Mandatory/ discretionary	Key outcome	Max. funding	New/ existing/ amended
Disabled Facilities Grant (DFG)	Y	Y	Mandatory	Adaptations to enable independent living	£30,000	Existing
DFG top-up	Y	Y	Discretionary	Top up of mandatory DFG which exceeds grant limit	£10,000	Amended
Disabled Adaptation Assistance	N	Y	Discretionary	Minor adaptations for those eligible for a DFG without means testing	£7,000	New
Moving on Assistance	Y	Y	Discretionary	Financial assistance to move to more suitable accommodation	£10,000	Amended
Hospital Discharge Assistance	N	Y	Discretionary	Prevent Delayed Transfers of Care associated	£10,000	New

				with housing disrepair or access issues		
Safe, Warm and Well	Y	Y	Discretionary	Minor essential repairs to make homes safe for vulnerable owner occupiers	£8,000	Amended (replacement for Essential Home Repair Assistance)
Dementia Aids and Adaptations	N	N	Discretionary	Enable people with a diagnosis of dementia to manage their surroundings and retain their independence.	£750	New

2. Review of the existing means test for lower value work

- 2.1** The contribution a disabled person has to make towards an adaptation is determined by a prescribed means test. This is based on what the Government considers a person needs to live on per week, the income of the disabled person and their partner, and how much they could raise in a loan from a commercial bank. The majority of grant applicants are elderly and would be unable to access most commercial finance options. In addition, as the means test does not take account of actual living costs, those with high mortgage or rent payments will be hugely affected and unlikely to be able to raise the funding. As a result, many disabled people who are not necessarily “well off” have a large contribution to make or do not qualify for a disabled facilities grant (DFG). This leaves them at continued risk as they are unable to fund any works themselves.
- 2.2** Administration of the means test itself is time consuming for both the Council and the disabled person as they must produce evidence of their income (bank statements, benefit statements, wage slips, pension details etc.) which are then used to calculate the contribution. This causes delays to the process, particularly when the greatest proportion of disabled people who were referred had no contribution. For example, in 2016/17, 122 referrals were received from Occupational Therapy, of these 10% failed the means test (their contribution was greater than the cost of the works), 20% made a contribution to the works (median contribution was £500), 3% had a contribution but did not proceed with the works, and 67% received full grant funding.
- 2.3** The proposal is to introduce Discretionary Disabled Adaptations Assistance which will remove the means test for adaptations with a total value of up to £7,000. This will reduce the time taken to process applications and assist in early intervention to prevent hospital admission/reduce reliance on carers.

3. Broadening the scope of work

3.1 Mandatory disabled facilities grants only address the needs of a person in respect of their disability. The ability to use the BCF capital grant to support wider social care outcomes means that additional works can be funded that support independent living, hospital discharge and health and safety issues where prevention is key.

3.2 The draft policy proposes the introduction of several new forms of financial assistance which align with this:

- Hospital Discharge Assistance
- Safe, Warm and Well
- Dementia Aids and Adaptations

4. OTHER OPTIONS CONSIDERED

4.1 The Council does not have to offer discretionary financial assistance, but failure to do so could leave vulnerable people at risk of avoidable harm. There is an expectation from Government that the increased funding levels will lead to better outcomes for residents and reduced reliance on health and social care services.

5. RESOURCE IMPLICATIONS

5.1 Any additional financial assistance would be discretionary and dependent on available capital budget. The policy will support best use of the increased budget from the BCF, with DFGs expected to remain part of the BCF with a further uplift in 2018/19.

5.2 The service will be provided within existing staff resources in the short to medium term.

6. RISK AND MITIGATION

6.1 Risk has been considered as part of this report and any specific high risks are included in the table below:

Category Risk	Action / Controls
Financial	Financial assistance beyond mandatory disabled facilities grants is discretionary and subject to funding
Reputational	An approved policy which supports residents to manage their independence

7. ISSUES ARISING FROM IMPACT ANALYSIS (EQUALITY, SAFEGUARDING etc.)

7.1 Equality analysis has not identified any potential for discrimination or for negative impact, and all opportunities to promote equality have been taken.

8. CRIME AND DISORDER IMPLICATIONS

- 8.1** There are not considered to be any direct crime and disorder implications arising from this report.

9. COMMENTS OF FINANCIAL SERVICES

- 9.1** The budget allocation for 2017/18 is £733,770 which has now been received from the Better Care Fund. The spend against the budget will be monitored through the usual budget monitoring processes.

10. COMMENTS OF LEGAL AND DEMOCRATIC SERVICES

- 10.1** Article 3 of the Regulatory reform (Housing Assistance) (England & Wales) Order 2002 provides the power for local authorities to provide financial assistance for home repair, improvement and adaptation. However, a local housing authority may not exercise the power conferred by Article 3 unless they have:

- a. adopted a policy for the provision of assistance under that article;
- b. given public notice of the adoption of the policy;
- c. secured that a document in which the policy is set out in full is available for inspection, free of charge, at their principal office at all reasonable times; and
- d. the power is exercised in accordance with that policy.

11. COMMENTS OF OTHER RELEVANT SERVICES

- 11.1** None

12. APPENDICES

- 12.1** Appendix 1- Draft Private Sector Housing Assistance Policy – Independent Living

13. BACKGROUND PAPERS

- 13.1** ENV661 – Private Sector Housing Renewal – Independent Living report to Communities and Wellbeing Overview and Scrutiny Committee, 11 July 2017:
<http://moderngov.southkesteven.gov.uk/ieListDocuments.aspx?CId=628&MId=3438&Ver=4>
- 13.2** ENV666 – Draft Private Sector Housing Assistance Policy – Independent Living report to Communities and Wellbeing Overview and Scrutiny Committee, 5 September 2017:
<http://moderngov.southkesteven.gov.uk/ieListDocuments.aspx?CId=628&MId=3439&Ver=4>

South Kesteven District Council Private Sector Housing Assistance Policy – Independent Living

Providing assistance under the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002

1.0 Background

The suitability of the home is integral to meeting the needs of our residents. A home which enables them to live independently or supports others to provide safe and effective care contributes to the promotion of physical and emotional health and wellbeing and supports a full and active life.

Helping residents to make the right housing choices for their needs and providing support to make the home safe can help reduce hospital admissions or re-admissions, reduce reliance on care and support, improve wellbeing and help maintain independence in the home. One of the ways of doing this is by providing financial assistance to support those choices or adapt the homes of disabled and vulnerable people enabling them to live safely.

The population of South Kesteven is increasing, with the number of older people expected to increase dramatically over the next 15 years. The prevalence of disability increases with age and as the District has an ageing population demand for adaptations is likely to increase. The majority of housing is not designed with elderly and disabled people in mind, and whilst some people have disabilities from a young age, most do not become aware of problems with their home until their circumstances change through illness, accident or growing frailty in older life.

This policy explains how South Kesteven District Council will use its resources to assist residents in need of support to maintain independence in the home, reduce the need for support from social care and health services and/or prevent further deterioration in their conditions. The assistance may be in the form of Mandatory Disabled Facilities Grants or discretionary assistance, which enables the Council to deal with immediate health and safety concerns swiftly and appropriately. With the exception of Mandatory Disabled Facilities Grants, all of the assistance provided under this policy is at the discretion of the Council and subject to available resources. If demand for discretionary assistance exceeds the available budget the assistance will be suspended. In these instances the Council does not undertake to maintain a waiting list.

This policy will be reviewed as necessary to take into account changes to legislation and policies at local and national level, but in any case, will be reviewed every 4 years in line with the time period of the Council's Housing Strategy.

2.0 Legal Framework

The main legislation governing the provision of Disabled Facilities Grants (DFGs) is the Housing Grants, Construction and Regeneration Act 1996. This places a statutory duty on local housing authorities to provide grant assistance to qualifying disabled people to undertake a range of adaptations to their homes which are deemed "necessary and appropriate" to meet their needs and it is "reasonable and practicable" to undertake the adaptations having regard to the age and condition of the dwelling. The grant is subject to a means test (except in the case of children) and works must be eligible as defined by the Act and Regulations. The maximum grant available is £30,000.

The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 ("the RRO") gives local authorities the power to provide assistance (either directly or indirectly) to any person for the purpose of improving living conditions in the local authority area provided this is given in accordance with a published policy.

In accordance with the RRO, this policy has been adopted by South Kesteven District Council and includes details of:

- a. The types of assistance the Council may make available
- b. The eligibility conditions for the assistance
- c. The amount of assistance available
- d. The conditions that will apply to the provision of the assistance
- e. The circumstances when repayment may be required

3.0 Strategic Context

In April 2015 the Government made significant changes to the funding mechanism for disabled facilities grants by making the allocation part of the Better Care Fund (BCF); a pooled budget between the NHS and upper tier councils. The aim of the fund is to provide more joined-up and customer focused services to reduce hospital and care admissions and enable people to return from hospital more quickly.

The Care Act 2014 established a requirement that a needs assessment must be carried out where it appears to the social care authority that a person for whom they may provide or arrange community care services, may be in need of such services. The associated guidance states that the care and support system must actively promote wellbeing and independence and aim to prevent need, not just wait to respond when people reach a crisis point.

Aligned to this, the NHS 5 Year Forward View (2014) noted that a key condition for transformation across local health economies is a strong primary and out-of-hospital care system, with well-developed planning about how to provide care in people's own homes, with a focus on prevention, promoting independence and support to stay well.

Home adaptations and essential repairs for disabled and vulnerable people support these requirements as they can:

- Enable independence at home
- Speed up hospital discharge/reduce readmission
- Prevent escalation of need e.g. accidents and falls
- Support maintenance of physical and mental well-being

It is clear that home adaptations can contribute to meeting a range of Public Health, NHS and Social Care outcomes. While the housing law relating to the provision of grants for disabled adaptations has not changed, there is scope for local innovation in delivery and opportunities to consider how home adaptations can better support housing, health and social care to achieve improved health and wellbeing outcomes for those with care and support needs.

4.0 Priority Areas and Evidence

This policy aligns with the South Kesteven District Council Housing Strategy outcome to enable independent living, by supporting those whose independence may be at risk to access housing (including their current home) which meets their needs.

The focus on prevention, with the suitability of the home being a core component of health and wellbeing is central to supporting an integrated approach.

Nationally, almost $\frac{1}{3}$ of people aged 65 and over, and $\frac{1}{2}$ of people aged 80 and over fall each year, with the home being the most common place for a fall. Falls account for between 10 and 25% of ambulance call outs for the over 65s, costing around £115 per call out. Older people who fall are likely to

suffer a repeat fall and in most cases require recurrent use of health and social care services. Recurrent fallers are also more prone to have a fall-related fracture; the health cost associated with hip fractures alone is estimated at £6 million per day or £2.3 billion per year.

In addition, falls are one of the major reasons for people to move from their own home to residential care, again increasing social care costs and impacting on independence. The overall effect of increasing personal wellbeing, preventing accidents and reducing strain on carers means that the cost savings to health and social care of preventing falls are potentially extremely high. A package of relatively low cost adaptations could reduce falls and may delay hospital admissions.

Many chronic health conditions experienced by people, particularly older people, have a causal link to, or are exacerbated by poor housing. Frail and older people experience poorer physical and mental health and higher risk of mortality, while babies and young children have an increased risk of respiratory problems. The annual cost to the NHS of treating disease due to cold private housing has been estimated at over £850 million (at 2009 costs). This does not include additional spending by social services, or economic losses through absences from work. Health risks associated with cold homes include; increased respiratory illness, worsening of asthma, chronic obstructive pulmonary disease, worsening of arthritis, increased blood pressure and risk of heart attacks and stroke. A cold home also increases the risk of falls and accidents as strength and dexterity decreases at lower temperatures. Making homes weather safe, wind and weather proof, alongside ensuring suitable indoor temperatures can be maintained could reduce symptoms or instances of illness.

5.0 Types of Assistance

The provision of assistance other than Mandatory Disabled Facilities Grants is subject to the availability of funding. Housing options advice will be provided in all cases to ensure that the right option for the household is being considered. This may include information about entitlement to benefits, third party funding options e.g. charities, energy efficiency and signposting to other services and agencies.

A summary of the available assistance is provided below. Full details of each type of assistance and associated conditions are in Appendix A.

Type of assistance	Means Test	Local Land Charge	Mandatory/ Discretionary	Key Outcome	Max. Funding
Disabled Facilities Grant (DFG)	Y	Y	Mandatory	Adaptations to enable independent living	£30,000
DFG top-up	Y	Y	Discretionary	Top up of mandatory DFG which exceeds grant limit	£10,000
Disabled Adaptation Assistance	N	Y	Discretionary	Minor adaptations for those eligible for a DFG without means testing	£7,000
Moving on Assistance	Y	Y	Discretionary	Financial assistance to move to more suitable accommodation	£10,000
Hospital Discharge Assistance	N	Y	Discretionary	Prevent Delayed Transfers of Care associated with housing disrepair or access issues	£10,000
Safe, Warm and Well	Y	Y	Discretionary	Minor essential repairs to make homes safe for vulnerable owner occupiers	£8,000
Dementia Aids and Adaptations	N	N	Discretionary	Enable people with a diagnosis of dementia to manage their surroundings and retain their independence.	£750

5.1 Mandatory Disabled Facilities Grants (DFG)

The Council will continue to provide assistance to those who qualify for a DFG as laid down in legislation. The adaptations funded will be considered as being the most appropriate, reasonable and cost effective way of meeting the assessed needs of the disabled person up to the maximum grant of £30,000.

Where the applicant/ disabled person wishes to carry out works to the property which are over and above those assessed by the Occupational Therapist (OT), the Council may, in circumstances where the alternative is considered appropriate and will meet the assessed needs of the disabled person, offer financial assistance up to the value of the assessed need.

5.2 Top Up of Mandatory Disabled Facilities Grant

This assistance of up to £10,000 may be available in conjunction with a Mandatory Disabled Facilities Grant where the cost of the eligible works exceeds the current mandatory limit of £30,000.

The applicant's ability to afford the excess over the mandatory grant amount will be assessed by carrying out a means test of their resources. This will include a means test of the resources of parents/guardians of disabled children applying for discretionary DFG top-up funding.

5.3 Discretionary Disabled Adaptations Assistance

This provides non means tested financial assistance for disabled people for minor works with a value up to £7,000 that would be eligible for a mandatory disabled facilities grant.

5.4 Moving on Assistance

This assistance enables disabled people who would be eligible for a Mandatory Disabled Facilities Grant to move to more suitable accommodation where it is considered more appropriate than providing funding through a Mandatory Disabled Facilities Grant to adapt their existing home. This funding of up to £10,000 may be used in conjunction with a Mandatory Disabled Facilities Grant to undertake eligible works to the new property.

This may include circumstances where the existing accommodation is not reasonably and practicably capable of being adapted to meet the needs of the disabled person.

5.5 Hospital Discharge Assistance

This assistance is for people in hospital awaiting discharge back to their home, and provides up to £10,000 to fund urgent adaptations that allow access in and around the person's home. Other minor works which are

needed to facilitate their discharge from hospital will also be considered e.g. one off clearance of hoarded properties and works to heating systems.

5.6 Safe, Warm and Well

This assistance is for owner occupiers over the age of 65, or those with chronic or severe health conditions affected by poor housing conditions (verified by a GP or medical professional), who need to undertake essential repairs to their home in order to remain safe and healthy. Essential repairs are determined as a Category 1 (serious) or significant Category 2 (other) hazards as determined by the Housing Act 2004. The maximum available funding is £8,000.

Applicants must be in receipt of a qualifying benefit or have an annual household income after tax of below £23,250

5.7 Dementia Aids and Adaptations

This assistance provides aids and minor adaptations to the home which are designed to enable people diagnosed with dementia to manage their surroundings and maintain their independence. The assistance is limited to £750 and not subject to a means test.

6.0 Eligibility Criteria and Conditions

6.1 In this policy the term “assistance” means any form of financial assistance approved for the purpose of housing renewal, maintenance, improvement or adaptation. “Condition” means any condition attached to any such assistance. Any reference to “owner” or “person responsible” is taken to mean any owner or other person who is responsible for the relevant conditions either singly or jointly. This includes the original person who applied for or received the assistance, as well as any other person who has subsequently become responsible for any condition as a result of acquiring the property or an interest in it.

6.2 The specific criteria for each form of assistance are detailed in appendix A. However, the following conditions will apply in all cases:

- a. Where stated, any financial assistance and related conditions will be secured as a legal charge against the property. A breach of conditions requires the repayment of all or part of the assistance. This charge will not be removed until either the conditions expire or until the assistance is re-paid together with any interest or additional charges that may apply.

- b. A charge against the property is binding on any person who is for the time being an owner of the premises concerned. Where a condition is broken, the Council has the usual powers and remedies in law to enforce the charge and secure payment of any amount due.
 - c. Where any condition is in force, the Council may require the responsible person to provide any information to satisfy the Council that the condition is being complied with. The Council can require this information in writing or in other reasonable form. It is a condition that this information is provided in the form required within a reasonable timescale as specified by the Council and as fully, accurately and honestly as reasonably practicable. Failure to comply with this requirement is a breach of conditions in itself and the assistance, or part of the assistance where specified, must be re-paid to the Council.
 - d. It is for the person responsible for complying with any condition to demonstrate to the Council's satisfaction that the condition is being complied with. Failure to do so will be treated as failure to comply with the condition. The Council does not have the burden of having to prove that the condition is not being complied with.
 - e. Conditions will generally be enforced in all cases. Money repaid or recovered will be recycled back into the housing renewal capital programme.
 - f. The approval of assistance does not give or imply the Council's approval of any other consent that may be required, such as planning permission or building regulation consent. It is the responsibility of the applicant to obtain any such consent as may be required.
- 6.3 Any person making an application for assistance must:
- a. Be over the age of 18 years on the date of application
 - b. Live in the dwelling which is subject to the application as their sole main residence
 - c. Live within the district of South Kesteven.
- 6.4 Persons will not be eligible for assistance in the following circumstances:
- a. Where ownership of the dwelling is disputed
 - b. Where the owner of the property has a statutory duty to undertake the necessary works to the dwelling and it is reasonable for them to do so.
 - c. Where the proposed works would normally be covered by buildings insurance. If before a grant is approved it is found that the applicant has submitted an insurance claim, the insurance company will be asked to confirm in writing the extent of the claim and their liability, if

- any. The value of any housing assistance will be reduced by the amount equivalent to the insurance company's liability.
- d. Where works have started before the formal approval of an application, except where in exceptional circumstances a defect may present a serious risk to health and safety.
 - e. Where the proposed works are to repair any shed, outbuildings or appurtenances.
 - f. Incomplete applications or applications lacking sufficient information will be refused.
- 6.5 All cases will be considered on a case by case basis. Incomplete applications or applications lacking sufficient information will be refused.
- 6.6 Enquiries about how the policy is operated should be referred to the Environmental Health Service Manager in the first instance. Appeals must be made in writing and detail the specific grounds on which the appeal is based.

7.0 Making an Application and Payment of Assistance

Applications must be made in writing on the appropriate form and must include original documentation where requested. An application will only be considered complete once all of the relevant documentation has been provided.

The Council may charge a fee for any professional services or charges incurred relating to the work for which the assistance is being sought e.g. obtaining proof of ownership, drawing of plans etc. This fee will be incorporated into the total assistance amount.

The Council will make arrangements for contractors to undertake works, however, the contract agreement is between the applicant and contractor; the Council will not be liable for disputes arising between the parties. If the applicant elects to use their own contractor they must submit at least 2 written quotations from different contractors.

In the event of any disputes between the applicant and the contractor the Council will help to resolve these, however should this not be possible it may be necessary for the applicant to seek legal advice to remedy any dispute.

The Council will normally arrange for grant payments to be made directly to contractors upon completion of works.

8.0 Maintenance and Repair

The quality of work undertaken by contractors appointed by the Council is guaranteed for a period of 12 months. Some of the individual items may have their own extended warranties that are provided by the manufacturer. It is the applicant's responsibility to ensure that any extended warranties are applied for in accordance with the manufacturer's guarantee. Copies of guarantees/warranties will be provided to the applicant after completion of the works.

The Council is not responsible for the ongoing maintenance or repair of any items.

9.0 Data Protection

All data will be held in accordance with the Data Protection Act 1998.

The Council may investigate or formally verify any of the information provided in connection with any application for assistance.

In order to progress an application it may be necessary to share information provided with other organisations that may assist with the grant process. These may include:

Lincolnshire County Council – Adult Social Care or Children's Services
Lincolnshire Home Independence Agency or other Agencies appointed by applicants
Relevant Government Departments

The Council is under a duty to protect public funds and may use the information provided for the prevention and detection of fraud. It may also share this information with other bodies administering public funds solely for these purposes.

APPENDIX 1 – Details and Conditions of Assistance

1. Mandatory Disabled Facilities Grants
2. Top Up of Mandatory Disabled Facilities Grant
3. Discretionary Disabled Adaptations Assistance
4. Moving on Assistance
5. Hospital Discharge Assistance
6. Safe, Warm and Well
7. Dementia Aids and Adaptations

DRAFT

1. Mandatory Disabled Facilities Grants

Purpose: Local housing authorities have a statutory duty to provide grant aid to disabled people to undertake a range of adaptations to their homes.

Mandatory disabled facilities grants will be administered in accordance with the provisions of the Housing Grants, Construction and Regeneration Act 1996. The following provides a summary of these provisions, but should be read in conjunction with the full Act.

Maximum amount: The maximum amount is £30,000.

Applicant eligibility: All applicants must be eligible under the Act. Applications must be supported by a referral from an Occupational Therapist confirming that the person is disabled for the purposes of the Act and that the proposed works are necessary and appropriate to meet the needs of the disabled person.

Eligible works: The relevant works must be necessary and appropriate to meet the needs of the disabled occupant and it must be reasonable and practicable to carry out the works having regard to the age and condition of the property. The purposes for which a grant must be give are detailed in section 23 of the Housing Grants Construction and Regeneration Act 1996.

Financial assessment: The grant is subject to a means test in accordance with the Housing Renewal Grants Regulations 1996, to determine the customer's contribution towards the cost of the works. The maximum grant including any contribution must not exceed £30,000.

Application: Applications must be made on the relevant form and supported by a referral from an Occupational Therapist. The Council will consult the Social Services Authority on all applications.

Applications may be made by owner occupiers, private tenants and Registered Social Landlord Tenants. In the case of tenants, the landlord may make an application on their behalf.

The Council will normally appoint a contractor, however, where the applicant chooses to use their own contractor, a minimum of two estimates must be submitted with the application.

Works must not commence until formal approval of the grant has been received by the applicant.

Payment: Payment will be made directly to the contractor upon satisfactory completion of the eligible works and approval of invoices. In some instances payments may be made in instalments and the balance (no less than 10% of the total cost of the eligible works) paid on satisfactory completion.

The applicant must agree that they are satisfied with the quality of the work prior to payment. If the applicant refuses, the Council will inspect the work and if it believes it is of sufficiently good standard the payment will be made.

Conditions: The Council may remove items of equipment e.g. modular ramps and stair lifts from the property for re-use when they are no longer required by the disabled person. This will be considered on a case by case basis dependent on the age and condition of the item. Where the items are not considered appropriate for re-use it will be the responsibility of the householder/property owner to remove any items at their own cost.

Where the Council provides funding in excess of £5,000 that creates additional living space e.g. an extension or conversion of a garage or outbuilding, and where the applicant has an owner's interest in the property, this will be registered as a local land charge against the adapted property, subject to a maximum of £10,000. If the property is disposed of within 10 years of the completion of the works (as determined by the Council), repayment of the amount will be required.

The Council will not pay for any additional works carried out without prior approval.

All works must be completed within 12 months of approval.

2. Top Up of Mandatory Disabled Facilities Grant

Purpose: To provide discretionary financial assistance to a disabled person who qualifies for a mandatory disabled facilities grant where the cost of the eligible works exceeds the mandatory grant maximum of £30,000.

Maximum amount: The maximum top up is £10,000.

Applicant eligibility: Applicants must have an owner's interest in the property and the disabled person (if different) must qualify for a mandatory disabled facilities grant where the value of the eligible works (including the client contribution and any fees if applicable) exceeds the mandatory grant maximum.

Eligible works: Works funded by the top up must be eligible works which are necessary and appropriate to meet the disabled person's needs as defined by the Housing Grants Construction and Regeneration Act 1996.

Financial assessment: The top up will be means tested using the prescribed test of resources applicable to mandatory disabled facilities grants. Where the disabled person is a child, the parents/guardians will be means tested.

Applications: Applications will be considered alongside an application for a mandatory disabled facilities grant.

Payment: The discretionary top up will be paid as an additional amount to the mandatory disabled facilities grant under the same payment conditions.

Conditions: The amount of the discretionary top up will be secured by attaching a local land charge on the adapted property. If the property is disposed of within 10 years of the completion of the works (as determined by the Council), re-payment of the amount will be required.

Works must not commence until formal approval of the discretionary assistance and mandatory grant have been received by the applicant.

3. Discretionary Disabled Adaptations Assistance

- Purpose:** To provide discretionary financial assistance for disabled occupants who do not have the financial resources to pay for necessary adaptations to help support them to remain independent in their home. The discretionary assistance will fund minor works for those eligible for a mandatory disabled facilities grant.
- Maximum amount:** The maximum amount of assistance is £7,000.
- Applicant eligibility:** The disabled occupant must be eligible under the provisions of the Housing Grants Construction and Regeneration Act 1996. Applications must be supported by a referral from a Lincolnshire County Council Occupational Therapist.
- Eligible works:** The relevant works must be necessary and appropriate to meet the needs of the disabled occupant and it must be reasonable and practicable to carry out the works having regard to the age and condition of the property. The purposes for which a grant may be give are those detailed in section 23 of the Housing Grants Construction and Regeneration Act 1996. Any associated fees e.g. technical surveys, obtaining proof of title etc will be included in the total assistance amount.
- Financial assessment:** This assistance is not subject to a means test.
- Payment:** Payment will be made directly to the contractor upon satisfactory completion of the eligible works and approval of invoices. The applicant must agree that they are satisfied with the quality of the work prior to payment. If the applicant refuses, the Council will inspect the work and if it believes it is of sufficiently good standard the payment will be made.
- Conditions:** The Council may remove items of equipment e.g. modular ramps and stair lifts from the property when they are no longer required by the disabled person for re-use. This will be considered on a case by case basis dependent on the age and condition of the item. Where the items are not considered appropriate for re-use it will be the responsibility of the

householder/property owner to remove any such items at their own cost.

Only one application for discretionary assistance will be considered in any 12 month period (taken from date of approval).

Where the applicant has an owner's interest in the property, the amount of the discretionary funding will be secured by attaching a local land charge on the adapted property. If the property is disposed of within 10 years of the completion of the works (as determined by the Council), re-payment of the amount will be required. This will be reduced by 10% for each complete year.

The Council will not pay for any additional works carried out without prior approval.

Where the discretionary funding is no longer available, applications will be considered under the provisions of a mandatory disabled facilities grant.

4. Moving on Assistance

Purpose: This discretionary assistance enables disabled people who would be eligible for a mandatory disabled facilities grant to move to more suitable accommodation, where it is considered more appropriate than providing funding through a mandatory disabled facilities grant to adapt their existing home.

Maximum amount: The maximum amount is £10,000 and may be used in conjunction with a mandatory disabled facilities grant to undertake eligible works to the new property.

Applicant eligibility: Any disabled person who would be eligible for adaptation works under a mandatory disabled facilities grant

Qualifying criteria: A referral for adaptation of the existing property must have been received from an Occupational Therapist.

In the Council's opinion, the existing property must be unsuitable for adaptation, in that it is not reasonably and practicably capable of being adapted to meet the needs of the disabled person.

The applicant must have or propose to have an owner's interest in new property. The existing and new properties must be within South Kesteven District Council's area, and be the permanent, main residence of the disabled occupant.

In the opinion of the Council and in conjunction with the Occupational Therapist, the new property must be considered suitable for the needs of the disabled person or must be reasonably and practicably capable of being adapted to meet the needs of the disabled person.

The assistance can be used for the following eligible costs:

- Legal and ancillary fees
- Estate agent fees
- Removal costs

Financial assessment: The assistance is subject to the prescribed test of resources applicable to mandatory disabled facilities grants. Where the disabled person is a child, the parents/legal guardians will be means tested.

Payment: Payment will be made to the applicant's solicitor on exchange of contract so that funding is available for completion. Evidence of the fees will be required prior to payment.

Conditions: This discretionary assistance may only be awarded once.

Where an award has been made under this policy and prior to the exchange of contracts and the disabled person is no longer able to relocate to the new property e.g. they have moved into permanent care or deceased, the Council may decide to pay all, some or none of the assistance.

The amount of the discretionary funding will be secured by attaching a local land charge on the new property. If the property is disposed of within 10 years of the completion of the purchase (as determined by the Council), re-payment of the amount will be required.

5. Hospital Discharge Assistance

Purpose: This assistance is for people in hospital whose discharge is delayed due to the condition of their home. The assistance may fund urgent adaptations that allow access in and around the person's home by providing stair lifts or ramps. Other minor works which are needed to facilitate their discharge from hospital will also be considered e.g. one off clearance of hoarded properties and works to heating systems.

Maximum amount: The maximum grant is £10,000

Applicant eligibility: The applicant must be in hospital and their discharge delayed.

The application must be accompanied by a referral from a hospital Occupational Therapist or other suitably qualified professional confirming the urgent works that are required to the home to enable discharge.

The property subject to the application must normally be occupied by the applicant on a permanent basis.

Eligible works: Eligible works include:

- Stair lifts
- Ramps and door widening to the essential doorways
- Heating repairs or improvements
- Clearance and one off deep clean of hoarded goods

Other works will be considered which will facilitate the hospital discharge on a case by case basis.

Financial assessment: This assistance is not subject to a means test

Payment: The Council will appoint contractors to undertake the work and will pay them directly on production of satisfactory invoices. The applicant must agree that they are satisfied with the quality of the work prior to payment. If the applicant refuses, the Council will inspect the work and if it believes it is of sufficiently good standard the payment will be made.

Conditions: If the cost of the works exceeds the maximum financial assistance the Council will liaise with the Occupational Therapist and/or relevant professionals to determine the priority works.

The Council will not pay for any additional works carried out without prior approval.

Where the applicant has an owner's interest in the property, the amount of the discretionary funding will be secured by attaching a local land charge on the adapted property. If the property is disposed of within 10 years of the completion of the works (as determined by the Council), re-payment of the amount will be required. This will be reduced by 10% for each complete year.

6. Safe, Warm and Well

Purpose: This assistance is for owner occupiers over the age of 65, or those with chronic or severe health conditions affected by poor housing conditions who need to undertake essential repairs to their home in order to remain safe and healthy.

Maximum amount: The maximum amount is £8,000.

Applicant eligibility: The applicant must be an owner occupier or private tenant with a full repairing responsibility.

The applicant must be over the age of 65 or have a chronic or severe condition exacerbated by the cold or poor housing conditions. Evidence of the condition will be required e.g. letter/referral from a General Practitioner or other relevant health professional. Examples of relevant conditions include:

- Arthritis (osteo and rheumatoid, requiring regular treatment and review)
- Cardiovascular disease (for example heart disease or stroke)
- Respiratory disease (for example chronic bronchitis, severe asthma, emphysema or chronic obstructive pulmonary disease)

Eligible works: Essential repairs are determined as a Category 1 (serious) or significant Category 2 (other) hazards as determined by the Housing Act 2004, which affects the ability of the property to be safe, wind and weather proof. Examples of works may include:

- Heating repairs or replacement
- Works to prevent falls
- Roof repairs

Any associated fees e.g. technical surveys, obtaining proof of title etc will be included in the total assistance amount.

All properties will be subject to inspection and assessment by the Council or its agent.

Financial
assessment:

Applicants must or have an annual household income after tax of below £23,250 or be in receipt of one of the following Benefits:

- Income Support
- Income-based Employment and Support Allowance (**not** contribution-based ESA)
- Income-based Jobseeker's Allowance (**not** contribution-based JSA)
- Guarantee Pension Credit (**not** Savings Pension Credit alone)
- Housing Benefit
- Working Tax Credit and/or Child Tax Credit **provided that** the annual income for the purposes of assessing entitlement to the tax credit is **less than** £16,010 (or any other subsequent threshold set as part of Working/Child Tax Credit)
- Universal Credit
- Attendance Allowance (with an income of the applicant and their partner [if applicable] after tax, below £23,250)
- Disability Living Allowance (with an income of the applicant and their partner [if applicable] after tax, below £23,250)
- Carers Allowance (with an income of the applicant and their partner [if applicable] after tax, below £23,250)
- Personal Independence Payment (with an income of the applicant and their partner [if applicable] after tax, below £23,250)
- War Disablement Pension (which must include a mobility supplement or constant attendance allowance)

Payment:

The Council will appoint a contractor to undertake the eligible works. Payment will be made directly to the contractor upon satisfactory completion of the eligible works and approval of invoices. The applicant must agree that they are satisfied with the quality of the work prior to payment. If the applicant refuses, the Council will inspect the work and if it believes it is of sufficiently good standard the payment will be made.

Conditions:

The applicant must have lived in the property for a minimum of 12 months as their main residence.

Only one application for assistance will be considered within any 3 year period (further applications may be considered at the discretion of the Service Manager, Environmental Health in exceptional circumstances).

The Council will not consider applications in respect of dwellings which have been built or converted less than 10 years from the date of application.

Where works beyond the maximum assistance value are identified, the assistance will be prioritised based upon the hazard score and circumstances of the applicant. Works must be reasonable and practicable having regard to the age and condition of the property.

The amount of the discretionary funding will be secured by attaching a local land charge on the new property. If the property is disposed of within 10 years of the completion of the works (as determined by the Council), re-payment of the amount will be required.

The Council will not pay for any additional works carried out without prior approval.

7. Dementia Aids and Adaptations

Purpose: This assistance will provide aids and adaptations in the home designed to enable people with a diagnosis of dementia to manage their surroundings and retain their independence.

Maximum amount: The maximum funding is £750

Applicant eligibility: Applicants must be owner occupiers or private tenants with a clinical diagnosis of dementia and referred by a General Practitioner, Dementia Support worker or other relevant health professional, confirming the works which are necessary and appropriate to support them to retain their independence.

Eligible works: The Council will work with the relevant health professional to determine appropriate works on a case by case basis. This may include: contrasting coloured hand rails, thermostatic taps, lighting and door signage etc.

Financial assessment: This assistance is not subject to a means test

Payment: The Council will appoint a contractor or work with a third party to undertake the eligible works. Payment will be made directly to the contractor upon satisfactory completion of the eligible works and approval of invoices.

Conditions: It must be reasonable and practicable to undertake the works.

All works must relate to the applicants dementia needs and assist them to remain in their home independently for a longer period.

Only one application will be considered within any 3 year period.



CABINET

Report of: Councillor Kelham Cooke
The Deputy Leader of the Council

Report to:	Cabinet
Date:	12 October 2017
Subject:	St Peter's Hill Redevelopment – Office Remodelling, Guildhall Arts Centre refurbishment and reconfiguration
	Report No: TC0001

Decision Proposal:	Key decision for approval and recommendation on to Council
Relevant Cabinet Member:	Councillor Kelham Cooke The Deputy Leader of the Council
Report author:	Judith Davids, Assistant Director for Transformation & Change Tel: 01476 406344 E-mail: j.davids@southkesteven.gov.uk Date: 22/09/2017
Reviewed by:	Neil Cucksey, Assistant Director for Property Delivery Tel: 01476 406224 E-mail: n.cucksey@southkesteven.gov.uk Date: 25/09/2017
Signed off by:	Councillor Kelham Cooke, The Deputy Leader of the Council Tel: 01476 406401 E-mail: kelham.cooke@southkesteven.gov.uk Date: 26/09/2017
Approved for publication:	Councillor Kelham Cooke, The Deputy Leader of the Council Tel: 01476 406401 E-mail: kelham.cooke@southkesteven.gov.uk Date: 26/09/2017

SUMMARY

The purpose of this report is to obtain approval following a pre-construction feasibility study, to progress further with the St Peter's Hill Office remodelling project, by developing further the plans, designs and costs that will form the basis of the business case for the project. In parallel to this, essential preparatory and enabling works will need to be commissioned that will free staff to work in different more flexible ways so that the council is able to optimise the investment made in the building and generate income from the space made available.

As part of the wider scheme the Guildhall Art Centre forms an essential part of the overall leisure and cultural offer. It is therefore proposed to undertake a feasibility study to understand the opportunity to reconfigure space in and adjacent to the Arts Centre and costs to refurbish the facilities. The feasibility study will seek to understand;

- How to maximise utilisation of the asset and to exploit the opportunities available to create a focal point for the town which will naturally drive footfall into the courtyard area thought to the new cinema development off St Catherine's Road.
- To review the space available to enable an enhanced cultural, artistic and performance offer for residents and visitors.
- To have appropriate spaces available for the latent demand for more diverse range of activities, performances and marriage facilities within the town.

In order to progress the above, an in-year revenue budget of up to £500k will be required.

Members will receive further reports with full business case details in due course, once the design, technical specification and costings are available.

RECOMMENDATION

- 1 That Cabinet approves in principal the remodelling of the St Peter's Hill Council Offices as part of the overall St Peter's Hill Redevelopment Programme.
- 2 That Cabinet approves in principal the refurbishment and possible reconfiguration of the Guildhall Arts Centre as part of the overall St Peter's Hill Redevelopment Programme.
- 3 That Cabinet recommends to Council the allocation of up to £500k in the current financial year from revenue reserves in order to facilitate:
 - The accelerated rollout of laptops for staff.
 - The scanning and indexing of paper documents/ files.
 - To commission specialist resources to work with the contractor in the development of the detailed options/ feasibility stage of the projects
 - The leasing of temporary office accommodation for staff as required to meet the requirements of the remodelling of St Peter's Hill offices.

1. BACKGROUND TO REPORT

- 1.1 The Leader of the Council recognised in his speech to Full Council on 20th April 2017 that if we truly want to retain and recruit the very best staff then we need to ensure we provide them with the environment and the equipment to support them in their roles.
- 1.2 The Leader also confirmed to Full Council his intention that the Council offices would remain in the centre of Grantham supporting the local economy, and it was requested that an “urgent review of the type of IT support provided” was undertaken, and that plans for a “major overhaul of the Council building” were started.
- 1.3 Whilst the Guildhall Arts Centre is a standalone venue in its own right the overall approach is to ensure St Peters Hill redevelopment acts as a leisure and cultural destination to make Grantham town centre attractive as a leading sub regional centre with more vibrancy and increased footfall.
- 1.4 The setting of the Arts Centre can also improve the attractiveness of the public realm both in, leading to and around the whole redevelopment scheme and connectivity to the wider town centre to fundamentally extend the ‘dwell time’ of visitors. The venue also has the ability to potentially respond to a more diverse range of shows and activities programmed across the year.
- 1.5 A project board was subsequently established, and a team of key officers formed to oversee the inception and feasibility phases of these projects.
- 1.6 A key aspiration, associated with this piece of work and the potential investment required, was to take the opportunity to make better use of the space available by adopting a more modern and open plan design, and encouraging staff to adopt new and more agile ways of working. In this way it is expected that the footprint required to comfortably house the circa 300 staff currently based at the St Peter’s Hill offices could be greatly reduced, thereby offering the opportunity to attract further income by renting out the office space freed up and form a business incubation centre.
- 1.7 It is believed that by fully optimising our use of the space available in this way, that the entire ground floor could be made available as commercially, lettable space.
- 1.8 Using the SCAPE framework a firm of contractors has been commissioned to conduct a pre-construction feasibility study. It should be noted that the feasibility study is conducted at the contractor’s own cost, and there is no commitment from the Council to pursue this further at this stage. At the end of this exercise, we will have an agreed pre-construction scope with a feasibility report and initial cost plan based on the outline design selected. Further reports will be brought back to Cabinet at this stage.

- 1.9 There are other pieces of work, with their associated costs, that will need to happen in parallel to the above. These include the need to accelerate the IT refresh programme and to issue all staff with a laptop, the need to reduce our need for storage by scanning any paper documents that we need to keep and discarding the rest, the need to identify, lease and fit out as appropriate, alternative accommodation for staff during the building renovation, and the need for additional and specialist skills such as on site project management/day-to-day liaison with the building contractors, and an independent Cost Consultant/Quantity Surveyor to challenge the contractors assumptions and costs.
- 1.10 Each of the above pieces of work are essential to ensure our ability to create a mobile and agile workforce, to optimise the use of space within and around our buildings and to ensure that we are ready to move when construction works commence. The completion of each of these sub-projects is a critical success factor for the achievement of the outcomes and overall success of the redevelopment project. It is therefore recommended that a budget of £500k is made available to fund this essential upfront enabling work.

2. OTHER OPTIONS CONSIDERED

- 2.1 None at this stage

3. RESOURCE IMPLICATIONS

- 3.1 Specialist support will be engaged to work alongside officers and the contractor to ensure we have the correct capacity to deliver this project in a timely and cost effective manner.

4. RISK AND MITIGATION

- 4.1 A full risk assessment will be conducted once the designs, plans and proposals for remodelling are finalised.

5. ISSUES ARISING FROM IMPACT ANALYSIS (EQUALITY, SAFEGUARDING etc.)

- 5.1 An impact analysis will be conducted once the designs, plans and proposals for remodelling are finalised.

6. CRIME AND DISORDER IMPLICATIONS

- 6.1 Not applicable at this stage.

7. COMMENTS OF FINANCIAL SERVICES

- 7.1 Estimated initial feasibility and enabling works costs will be circa £500K. Actual costs will be confirmed as part of these early processes and the subsequent procurement exercise. As stated further reports will be brought to Cabinet to advise of future budget impacts. It is recommended that the funding is met from the Council's local priorities reserve and the budget framework is amended accordingly.

8. COMMENTS OF LEGAL AND DEMOCRATIC SERVICES

- 8.1 The report proposes an agreement in principle and the requirement for funding to facilitate feasibility of the project. The decision does not appear on the Schedule of Decisions and can be considered under the general exception rule where the decision must be taken by such a date that it is impracticable to defer the decision until it can appear on the next Schedule of Decisions. A decision is required in advance of the Council meeting on the 23rd November 2017. The relevant consultation will take place following the feasibility process if a recommendation is to be made to proceed with the project.
- 8.2 In accordance with the Contract and Procurement Procedure Rules, the Council encourages the use of framework agreements to balance the resource burden of procurement activity with the need to achieve value for money.

9. COMMENTS OF OTHER RELEVANT SERVICES

- 9.1 None

10. APPENDICES

- 10.1 None

11. BACKGROUND PAPERS

- 11.1 None



CABINET

Report of: Councillor Jacky Smith
Cabinet Member for Health, Well-being and Skills

Report to:	Cabinet
Date:	12 October 2017
Subject:	St Peter's Hill Redevelopment – Cinema Project
	Report No: PD023

Decision Proposal:	For Cabinet approval (as to part) and recommendation to Council (as to part).
Relevant Cabinet Members:	Councillor Jacky Smith Cabinet Member for Health, Well-being and Skills Councillor Kelham Cooke, The Deputy Leader and Cabinet Member for Business Transformation and Commissioning
Report author:	David Blanchard, Lead Officer Capital Projects and Strategic Asset Management Tel: 01476 406154 E-mail: david.blanchard@southkesteven.gov.uk Date : 27/09/2017
Reviewed by:	Neil Cucksey, Assistant Director for Property Delivery Tel : 01476 406224 E-mail: n.cucksey@southkesteven.gov.uk Date:27/09/2017
Signed off by:	Steve Ingram, Strategic Director –Development and Growth Tel: 01476 406007 E-mail: s.ingram@southkesteven.gov.uk Date: 28/09/2017
Approved for publication:	Councillor Jacky Smith Cabinet Member for Health, Well-being and Skills Date:29/09/2017

SUMMARY

At its meeting on 9th May 2016 Cabinet agreed to progress the St Peters Hill Cinema project from the approved capital budget allocation.

The purpose of this report is to obtain approval:-

- a) of the updated business case including a revised capital budget of £5.7m;
- b) to delegate authority to the Strategic Director –Development and Growth to the Council to conclude an agreement for lease followed by a lease with the preferred cinema operator in conjunction with the Cabinet Member for Health, Well-being and Skills and the Councils legal advisors; and
- c) to the permanent closure of St Catherine's Road Car park from the 3rd November 2017 to enable commencement of works on site.

Cabinet will receive a further report when the design, technical specification and costing have been finalised with the contractor and approval being sought to enter in to the delivery agreement (build contract).

RECOMMENDATION

1. That Cabinet approves the business case attached at Appendix A to this report and the Exempt Appendices to the business case attached as Appendix B to this report which comprises Options Appraisal, Heads of Terms with the Cinema operator, Order of costs estimate and the updated Risk Register.
2. That Cabinet approves the revised capital budget of £5.7m and recommends to Council a further allocation of £1,167,637 profiled across the 2017/18, 18/19, 19/20.
3. That Cabinet agrees to the permanent closure of St Catherine's Road car park from Friday 3rd November 2017 to enable the cinema development to progress and allow preparatory ground works and demolition of the garage to be carried out.
4. That Cabinet approves the Heads of Terms attached as part of Exempt Appendix B to the report and delegates authority to the Strategic Director –Development and Growth to the Council to conclude an agreement for lease followed by a lease with the preferred cinema operator in conjunction with the Cabinet Member for Health, Well-being and Skills and the Councils legal advisors.

1. BACKGROUND TO REPORT

- 1.1. The Council has clear priorities aimed at stimulating the day and night time economies of its market towns and improving the range and quality of leisure and cultural offers available within the district. The Deputy Leader of the Council and Cabinet Member for Business Transformation and Commissioning and the Cabinet Member for Health, Well-being and Skills have recognized the wider opportunities for development of the adjacent office buildings to the cinema scheme.
- 1.2. The St Peters Hill cinema project and the Council office remodelling are being progressed to help improve the offer at St Peters Hill and architects have been instructed to design public realm improvements with linkages between the two schemes and their wider connectivity to the town centre. One opportunity is further restaurant space in the re-configured offices to further support the cinema destination.
- 1.3. The business case attached at Appendix A, with Exempt Appendix B, provides the updated case for cinema project which is part of a major intervention by the Council in the redevelopment of St Peters Hill to help develop Grantham Town Centre as a leading sub regional destination.
- 1.4. The setting of the cinema and associated restaurant units will improve the attractiveness of the public realm both in, leading to and around the whole redevelopment scheme and connectivity to the wider town centre to extend the 'dwell time' of visitors.
- 1.5. The revised capital budget of £5.7m is required as a consequence of the scheme being amended from a 6 screen cinema, with four new screens and two refurbished existing screens, to a bespoke new cinema with 5 screens, two restaurant units and first floor space for a variety of compatible uses. Building cost inflation and some volatility in the construction sector through high demand since the current capital budget was allocated is also a factor. The budget also reflects surrender of the lease to the current cinema operator in May 2018 prior to the new cinema opening and the demolition and clearance of the existing cinema building.
- 1.6. Using the SCAPE framework a contractor has been commissioned to conduct preconstruction design and cost development stages of the project with a professional team. A further report will be brought back to Cabinet on completion of this work prior to entering into a build contract.
- 1.7. Contractors are required to commence on site in early November 2017 to enable the development to progress and stay on track with the desired programme. This will entail closing off the site, installing good quality hoardings and the permanent closure of St Catherine's Road Car Park. The closure of the car park entails careful planning and communications with all stakeholders. There are no formal processes required for permanently closing the car park. However, the Council will take steps to ensure advance notification is provided of the closure date.

2. OTHER OPTIONS CONSIDERED

- 2.1. The business case at Appendix A sets out the options that have been considered and rejected.

3. RESOURCE IMPLICATIONS

- 3.1. External consultants will be required to support the project going forward. On 24th August 2017 the Cabinet Member for Major Projects approved a non key decision for expenditure of up to a maximum of £200k to progress the pre-construction detailed technical design and prepare the agreement for lease. External legal consultants have been appointed to progress the legal agreements with the preferred cinema operator. Cost consultants are being procured via the pro contract web portal.

4. RISK AND MITIGATION

- 4.1. A full risk assessment has been conducted and the risk register is attached as part of Exempt Appendix B.

5. ISSUES ARISING FROM IMPACT ANALYSIS (EQUALITY, SAFEGUARDING etc.)

- 5.1. The design and specification of any proposed building must comply with equality and disability legislation.

6. CRIME AND DISORDER IMPLICATIONS

- 6.1. Not applicable at this stage.

7. COMMENTS OF FINANCIAL SERVICES

- 7.1. The attached business case sets out the financial implications of the scheme including the potential return on investment. These are based on the forecast rental streams that should be realised upon full occupancy of the development. It is recognised that there are other objectives that will be delivered from this scheme but it is important to ensure that value for money is being achieved. The business case presents the case to support this. The increase in budget provision resulting from proposed changes to the specification and in response to market fluctuations will be met from allocated capital reserves and where required, the local priorities reserve.
- 7.2. There will be a permanent loss of income from St Catherine's Road Grantham of approximately £9,000 per annum but it is anticipated that the users will migrate to adjacent car parks thus minimising the impact of the loss of income.

8. COMMENTS OF LEGAL AND DEMOCRATIC SERVICES

- 8.1. The report proposes recommendations to progress the work required to deliver a new cinema in Grantham. Negotiations relating to the proposed building contract and agreement for lease and lease of the premises to be built must be concluded and secured before any further work, other than enabling works, can be undertaken. This will require the necessary funding to be in place and the appropriate terms to be negotiated.
- 8.2. The information provided in Exempt Appendix B is exempt from publication in accordance with paragraph 3 of Schedule 12A of the Local Government Act 1972 because it contains commercial and financial information relevant to the negotiations between the Council and the preferred operator of the proposed cinema.

9. COMMENTS OF OTHER RELEVANT SERVICES

- 9.1. None.

10. APPENDICES

- 10.1. Appendix A - Business case & Appendices 1 & 2
Appendix B - Exempt Appendices to Business Case A, B, C & D

11. BACKGROUND PAPERS

- 11.1. Previous reports:

- PD015 – 03 February 2014:
<http://moderngov.southkesteven.gov.uk/ieListDocuments.aspx?CId=164&MId=2927&Ver=4>
- PD019 – 04 August 2014:
<http://moderngov.southkesteven.gov.uk/ieListDocuments.aspx?CId=164&MId=3049&Ver=4>
- PD 022 – 09 May 2016:
<http://moderngov.southkesteven.gov.uk/ieListDocuments.aspx?CId=164&MId=3288&Ver=4>



South Kesteven District Council

Business Case

St Peter's Hill

Draft for Member Approval

October 2017

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1 Executive Summary

The purpose of the cinema development at St Peters Hill is to create a new leisure destination, promote market town regeneration and to act as a catalyst to attract significant inward investment to the area. Specifically, the development will add to the local leisure offer and act as an attractor destination for Grantham's town centre. All of which will directly contribute to increased economic activity within the town and help to generate considerable associated secondary benefits to other businesses within the town centre and the wider area.

This project is the first phase in delivering a high quality "cultural quarter" laying the foundations for Grantham's enduring success and helping to promote Grantham as a premier sub-regional centre.

Whilst on completion and occupation of both cinema and A3 units a commercially acceptable investment would be created for the council, it is considered that this would not be something that the private sector would be prepared to deliver as the overall returns would not be what is expected from a modern commercial development.

There is likely to be significant social and economic benefits to be achieved by the delivery of the Project. Therefore, because the initial financial return is anticipated to be below commercially acceptable values, it is proposed that this scheme would be best delivered by the District Council, as land owner, by procuring the project with a building contractor as opposed to a commercial development partner, having secured an anchor end user in the cinema operator.

The specific objectives of the development are to:

- Help to make Grantham more vibrant and increase footfall to the town centre
- Provide a viable, contemporary, multi screen cinema complex.
- Support and enable the development of a diverse daytime and evening economy through the creation of associated new A3 restaurant space and other complimentary uses.
- Improve the attractiveness of the public realm both in, leading to and around the scheme.
- Improve pedestrian access and connectivity to the wider town centre and to fundamentally extend the 'dwell time' of visitors.
- Act and attract as a stimulus and a destination for further investment in the town centre.
- Create opportunity for new office space in order to support the growth of the town centre business offer.

There is a strong economic case for investment in Grantham town centre by the Council to make it more attractive to visitors, emerging interest from retail developments on the outskirts of the town make the business case even more compelling. The St Peter's Hill site presents the most logical, attractive and deliverable location for this new venue to be created in the town centre as it uses land already owned by the Council and is in the vicinity of the Guildhall Arts Centre, Museum and close to retail outlets in the town centre and the largest car park with 328 spaces.

The scope of the project includes construction of 5 new cinema screens, demolition and site clearance of the existing 2 screen cinema and construction of A3 space at ground floor level attached to the new cinema. The first floor will be approximately 9000 sq ft of flexible space for other leisure, A3 or Office use to meet the demands of the market and help to deliver the wider objectives of the project. Landscaping and public realm works will be carried out adjacent to the new building.

There is connectivity between this project and the developing initiatives to improve the Council offices and there is potential for further restaurant space in the Council offices to further support the development in the future.

The Council has reached agreement “subject to contract” with a Cinema operator to take on a 25 year lease. The operators have also negotiated an option to purchase a long lease. This provides a strong foundation for the development of the leisure scheme overall as the cinema operator will act as the anchor tenant on a pre let basis.

The financial projections calculate that the Council will generate a positive return on its most recent estimated investment requirement of circa £5.7m with the net ROI to be circa 5% dependent upon the length of time the A3 and first floor space remains vacant and the rents that are achieved. The rate of return currently achieved by the Council’s capital investments is 0.82%.

This strategic business case is primarily based on the development acting as a catalyst for growth and improvement of the town centre and secondly providing a financial return to the Council. The revised timetable for Phase 1 of the project is for the main site construction work being commenced in Q1/2 of 2018 with an anticipated completion by Quarter 4 of 2018/ Quarter 1 of 2019. The Council has displayed public signage on site to promote and advertise the development raising public expectations for the cinema complex to be delivered.

The business case for this project has been developed over a number of years and it is an iterative process where the project has progressed from the strategic outline case to this outline business case, which will be developed into a final business case when the project is fully costed and occupiers secured.

2 Background

The Strategic Case

The Council’s Corporate Plan has clear priorities which aim to demonstrate that South Kesteven is creating the right environment for housing and business growth and places that people want to live, work and invest in.

The new improved cinema offer, public realm improvements and complementary restaurants will create a new visitor destination with adjacent car park and help to revitalise the Grantham town centre. There will also be an opportunity to introduce other complimentary users on the first floor.

A CACI retail footprint study was commissioned, which identified that Grantham achieves just a 13.4% market share of shopper population, with 10.6% choosing to travel to Newark and 8.75% to Nottingham. Emerging developments on the outskirts of Grantham will put more pressure on Grantham town centre.

There will be a significant increase in new homes built around Grantham over the next few years which will substantially increase the local population. The emerging Local Plan incorporates the continued allocation of the Garden Village (with 3,700 new homes) and the North West Quadrant (with 3,200 new homes). There are further, smaller, sites also identified as locations for potential growth. In addition, the Prince William of Gloucester barracks has been signalled for release by the Ministry of Defence which could add similar levels of housing growth to those in the draft Local Plan.

The new cinema, with its 5 screens, will aim to have a catchment area of up to 30 minutes' drive time; this provides a catchment population of 250,000, which is a substantial uplift from the existing 15 minute catchment area of the existing 2 screens, with 62,000 population. The cinema operator has forecast 220,000 visitors per annum to the new cinema. Currently the 2 screen cinema has circa 60,000 visitors.

The strategic case for investment by the Council in this development site is in line with its Corporate Plan 2016-20 and two of the Priorities identified through the public consultation:

- Growing the Economy
- Promoting Leisure, Arts and Culture

The business case is made stronger by the well known future housing development pressures on Grantham previously mentioned.

Developing and delivering the project successfully and expediently will demonstrate to other business operators that SKDC is open for business and this will help to generate future interest in the town centre from other interested parties.

In early 2017 the Council commissioned a report from an external independent consultant, Thirdlife economics, to ensure that the business case for the provision of a new Cinema complex, A3 and office space was still relevant and remained strong. The consultant concluded in their report dated July 2017 that the case for proceeding with the development/ investment is strong on the grounds of improving the current offer in the town centre; and as an affordable financial option with some prospects of a modest return and on profile and risk grounds. The upgrade and improvement in the cinema offer is part of a strategic approach to enhance the "cultural quarter", Increasing footfall and richness of visitor experience in the town.

Economic Case

The Chartered Institute of Public Finance and Accountability were commissioned to produce an economic business case in January 2016 and the findings of the report were that the development shows a reasonable return for investment and benefits to the local economy. The Cinema development is expected to create an additional 20 jobs and the retail units in the region of 30 jobs, the business rates generated from this site are expected to increase to a Rateable Value (RV) of circa £70k for the cinema and RVs totalling circa £80k from the two A3 Units and £60k from the first floor generating approximately £105k per annum in rates payable from the site when the units are fully occupied by business rate payers.

The submission by the preferred operator estimates that footfall for cinema visits will increase by up to 300% in comparison with the known level of attendance at the existing cinema outlet. The additional trips generated from an increased catchment area will add to the footfall in and around the town centre creating trading benefits to retail/leisure outlets outside of the development site.

At the inception phase of the leisure project a long list of options were considered on how the Council could optimise value from its investment. An options appraisal was undertaken to identify a suitable site for the proposed leisure development. A number of potential locations around the town centre were considered these included the following sites:

- St Peter's Hill site (any combination of the on-site offices, car park, existing cinema, and senior citizens club site)
- Conduit Lane Car Park
- George Centre
- Greyfriars (as defined by SKDC's Development Brief)
- King31 Development, Spitalgate Level
- Post Office Site, St Peter's Hill
- Station Quarter (as defined by SKDC's Development Brief)
- Swingbridge Road site; and
- Watergate car park

Each site was assessed on a range of criteria including:

- Baseline physical characteristics, including area, accessibility, site context and existing uses;
- Constraints, including both observable constraints and planning designations;
- Comparative suitability for other uses (the less competing uses, the better the site performs);
- Deliverability, including an assessment of whether the site would be deliverable in 36 months from the time of writing; and
- Deliverability from a planning suitability perspective

The St Peter's Hill site was assessed as the most suitable potential location given the potential compatibility with the adjacent leisure uses and deliverability (Full report attached as an Exempt Appendix A).

Commercial Case

The Council has actively marketed the development site through its specialist agents, Lambert Smith Hampton to help identify occupiers and also the preferred delivery option for the project. The Council reviewed and explored opportunities to work with the existing cinema operator as well as requesting expressions of interest from competing operators.

The existing 2 screen cinema has approximately 60,000 attendances per annum. The cinema is constrained in offering latest releases and other ancillary entertainment such as live broadcasts due to only having 2 screens. The Council worked with the incumbent cinema provider (Reel Cinema Limited) and proposed a scheme to enhance and develop the existing offer by adding 4 screens to the existing 2 screen cinema, refurbish the 2 existing screens to the same standard as the new building and relocate the Grantham Senior Citizens Club (GSCC) to the rear of the existing site behind the Reel cinema building.

Despite best endeavours to secure a suitable arrangement with the incumbent cinema operator this proved not to be possible. The conclusion of those negotiations coincided with an alternative option being found for the relocation of the GSCC. The ability to obtain unfettered access to the former GSCC site created an opportunity to deliver the project objectives in a different way. The Executive considered a report (P&D 022 in May 2016) following which expressions of interest were sought from the wider cinema operator market to operate within a smaller scheme footprint.

The proposed development comprises the site on which the Grantham Senior Citizens Club (GSCC) had been located and the adjacent St Catherine's Road surface car park.

Planning permission for the original development of a restaurant, cinema and office development was granted on 12th November 2014. Non-material and material alterations to the scheme were submitted for consideration in June 2017 and approved on the 26th July 2017.

Construction –Options for Procurement

The procurement options have been considered by the project team and the Cabinet Member for Major Developments. There is an appetite from all the development parties to complete the project as soon as reasonably practicable to enable the economic benefits for Grantham to be realised and the cinema operator to get a return from their investment. The existing cinema operators have agreed to terminate their lease in May 2018.

A framework agreement will be used that has already been through the OJEU process saving approximately 4-6 months in the process. The leading Framework agreement under consideration is SCAPE and this route has successfully been used by the Council previously. Member representatives and the project team have met with SCAPE and a preferred contractor has been recommended.

The Office Re-development project and The Cinema Project have some synergy as they are being progressed at the same time and savings can be achieved by appointing the same contractor to both projects. For example savings will be achieved on staff overheads, contractor compound and welfare facilities. The preferred contractor, GF Tomlinson has been appointed to progress works to a feasibility for the potential redevelopment stage to enable a project budget to be more accurately forecast.

Financial case

In January 2016 the Chartered Institute of Public Finance and Accountability were commissioned to carry out a financial appraisal of the scheme and concluded that (without any account taken of economic benefits or business rate projections) the St Peter's Hill development was a financially viable scheme that the Council should be bringing forward. The review of the business case by Thirdlife economics in July 2017 reached a similar conclusion.

The existing approved budget allocated in the agreed capital programme is £4.95m and the forecast out turn for year end 2017/18 is a total spend in the year of £286k and over the project to date. The £750k has been spent on the service diversions on site, the relocation of GSCC including construction of the new building and some asbestos removal. Design development and fees, legal agreements, survey work.

The most up to date and revised project costs projected to a Q14 17 start on site require a revision of the project budget to £5.7 million these revised capital costs 2017/18 are shown below under Capital Costs.

The two main reasons why the projected development costs have changed are as follows.

1. The change in development proposals, instead of refurbishing the existing two cinemas and building four additional screens the revised scheme is to demolish the existing cinema and build a new five screen cinema.
2. Indexation and inflationary pressures have been applied since the scheme was originally costed by Mace.

Up to date appraisals have been undertaken to suggest that a project budget of £5.7m is realistic for a deliverable and sustainable development the funding would be met from capital reserves. The high level costings and income are shown in the Capital Costs Section on pages 12 & 13 of this business case.

The contractors will be undertaking their own assessment of the development costs between October and November 2017 and these will be scrutinised by the Councils cost consultants.

The Management Case

The project programme has been reviewed and the risks log updated and appended to the business case, the choice of the SCAPE framework route for contractors will enable the project to progress in a timely manner and will also avoid tying up Council resources in following OJEU procurement process. It will be important that the Council appoints cost consultants/quantity surveyors with the necessary resources and experience to support the Council in delivering value for money.

The SCAPE framework has a Process Map (attached at Appendix 2) that identifies certain Gateway Decisions. The cinema project has advanced to between stages 2 & 3 in most respects except that planning consent has been obtained for the intended scheme and a preferred cinema operator has been identified and legal representatives instructed to progress an agreement for a lease and lease.

The soft market testing for A3 units with National and regional operators has been positive to date and as soon as the main anchor tenant has been secured agents have indicated that they expect further interest in the Units. However, it is noted that nationally the A3 market has “softened” over the past 6 months and this could have an adverse impact on the initial rents that will be achieved. The Council has received interest in the first floor accommodation which if concluded is expected to bring added benefits to the scheme and the attractiveness of the A3 units to prospective tenants. There are also other potential occupiers of the first floor as there are a variety of potential uses.

A communications and stakeholder plan has been developed to accompany the business plan and project plan. This is regularly reviewed and updated throughout the project and is available upon request a risk register has also been regularly updated and is attached as an Exempt Item at Appendix 3.

Council representatives on the project team have visited various sites constructed and operated by the preferred cinema operator and seen evidence of how they have delivered on other sites, appropriate due diligence has also been undertaken.

3 Where We Are Now

A construction project has been completed to re-provide the community facility used by the GSCC, and a new lease has been granted. A range of surveys and investigations have been undertaken as part of the preparatory work required for the development site and a revised planning permission has been granted for the new 5 screen cinema scheme.

Negotiations with the Cinema operators were undertaken by commercial agents with expertise in the market and are now at an advanced stage and solicitors have been instructed based on the Heads of Terms attached as an exempt Appendix B. A draft agreement for lease and lease has been issued and a Non Key Decision made on 24th August 2017 to progress the agreement for a lease.

In summary, the Cinema operators have agreed, subject to contract, to take a 25 year lease paying a market rent (plus services charges relating to common parts and refuse management). They have also negotiated a right to purchase a long lease after the first year of occupation and within the first three years. The Council will contribute a capital sum to the internal fit out of the cinema with the cinema operator supplementing this with up to £1.0m of its own investment and work is being undertaken to agree the specification of the tenant fit out. If the option to purchase a long term leasehold within 3 years is exercised the Council will recover its construction and fit out contribution costs and a commercial rate of return. The Council has a right of pre-emption on the asset should the cinema operator wish to sell the unit in the future on an individual basis.

The cinema operator have indicated they are keen to complete the agreement for lease and commence business as soon as reasonably practicable to do so it is also in the interests of the Council to achieve an early completion of the development. The Agreement for a lease could be signed this calendar year and the parties are working towards this date. The agreement for a lease would be conditional on the construction and fit out of the cinema being to an agreed standard and other conditions in the Heads of Terms for an agreement being satisfied including a delivery programme. (The Leisure Car Park tariff being agreed and the Council will use reasonable endeavours to let the two A3 restaurant units to national or good regional branded outlets.)

On the first floor, 9200ft² of office/leisure space will be created to respond to market demands from the catalyst development of the cinema and A3 units. Interest has been shown for the first floor space created by the development proposals. It will continue to be marketed to achieve the best possible outcomes for this development.

Negotiations have been concluded with the existing cinema operator and a surrender agreement exchanged which will end the current operator's agreement in May 2018.

4 Anticipated Outcomes

St Peter's Hill Development – Anticipated outcomes

Provide a viable, contemporary multi- screen cinema complex.

Support and enable development of a diverse daytime and evening economy through the creation of associated new A3 restaurant space.

Improve the attractiveness of the public realm both in, leading to and around the scheme.

Improve pedestrian access and connectivity to the wider town centre and to fundamentally extend the 'dwell time' of visitors.

Act and attract as a stimulus and a destination for further investment in the town centre.

Create new office space in order to support the growth of the town centre business offer.

Approximately 9,200ft² of office/ leisure space created at first floor level which could be suitable for a variety of uses.

The new cinema, with its 5 screens will have a catchment area of up to 30 minutes' drive time. This area includes a population of 250,000, which is a substantial uplift from the existing 15 minute catchment area of the existing 2 screens, with 62,000 population. The additional trips generated from an increased catchment area will add to the footfall in and around the town centre.

The current site is predominantly used for car parking. This scheme will provide a high quality paving scheme and a degree of public space immediately adjacent to the restaurants.

The successful establishment of the leisure scheme as a destination should provide another excellent example of Grantham's potential as a town centre location for future investors.

The Council's investment in this scheme is expected to act as a catalyst to the commercial market for additional leisure, retails and related uses in the town centre.

5 Resource Requirement

An internal project team has developed the project to date with additional input from the following external specialisms, when required:

- Architectural design
- Specialist commercial retail agent support (Letting Cinema & A3 Units)
- Legal advice
- SCAPE / Framework agreements procurement advice
- Independent Cost consultants/ QS
- Viability appraisal
- Build contractor from a framework agreement
- Lincolnshire County Council Highways
- Cinema operator delivery of fit out specifications.

The successful delivery of this project is dependent on it being effectively resourced for the construction and completion phases to maximise its opportunity to be delivered on time and to the quality required. A new project manager role has been created within the Property Development Team to provide in house support for effective delivery of the project.

Additional external capacity will be required for:

- A quality control officer during the construction phase.
- Legal support to finalise agreements for lease and lease documentation together with related legal processes.

The cost of this additional support has been built into the estimate of cost which is currently £5.7m. A detailed breakdown of the cost is contained in Appendix C. The component parts of the scheme have been costed at the end of the feasibility stage as follows:

Capital costs

Based on Mace cost consultants information April 2017 and projected to Q4 2017 start on site.

Cost Model Item	£ (Revised 2017/18)
Enabling site work	285,627
Construction, cinema A3, FF space	3,080,020 Includes prelims £1.086k
External works	446,968 as previous
Prelims, O&P, Fees, etc.	Included in construction figure
Contribution to fit out	1,350,000
Contingency/ risk provision	£524,000
Total	5,687,000

Circa £5.7m

The original allocation in the capital programme for this project was **£4.95m**. A further allocation of £750,000 will therefore be required for the proposed option to be fully implemented.

Income forecast –

Rental area summary	ft sq	Rate £/ ft sq	Rent
Cinema - net	13,584	7.50	101,880
A3 Unit	3,250	18.0	58,500
A3 Unit	3003	18.0	54,054
FF Office, Gym etc	<u>9,278</u>	9.0	<u>£83,502</u>
Totals	29,653		£297,936

ROI on cost when fully let 5.13%

Note: There is likely to be a need for rent free periods of 12-18 months required to cover fit out costs on the A3 units in order to achieve lettings at the rent stated.

Income forecast from Cinema Operator Purchase Option
SKDC Investment Circa £5.8m

Capital Payment from cinema operator
£1.32 capitalised rent after costs deducted
£1.35 Capital contribution
£2.67 total capital receipt – against cost of circa £2.35

Balance of investment
£3.13m

Income forecast from retained investment post cinema option to purchase

Rental area summary	ft sq	Rate £/ ft sq	Rent
A3 Unit	3,250	18.0	58,500
A3 Unit	3003	18.0	54,054
FF Office, Gym etc	<u>9,278</u>	9.0	<u>£83,502</u>

Totals £196,056

Gross yield 6.26%

No account for loss of interest on SKDC capital investment

6 Alternative Analysis

No Project (Status Quo)	Reasons For Not Selecting Alternative
Keep the site as a surface car park, and 2 screen cinema.	<p>The majority of the site is comprised of a surface car park. This is only available to the public after 6:00pm on weekdays and on Saturday and Sunday. The car park has only a very limited contribution to the economic activity of the town centre.</p> <p>The exiting 2 screen cinema has approximately 60,000 attendances per annum. The cinema is constrained in offering latest releases and other ancillary entertainment such as live broadcasts due to only having 2 screens. Currently the cinema operates with 4 full time employees and 5 part-time. The current offer does not compete well with multi-screen offers in Newark, Nottingham and Lincoln.</p>

7 Benefits

A series of performance measures will be developed to monitor performance of the contract, linked to the tracked benefits detailed below.

Benefits Table				
No	Benefit Title	Benefit Description	Benefit Type	Benefit to be tracked?
1	Increased offer and choice in Grantham	Residents choose Grantham as a destination rather than neighbouring towns. Increased number of restaurants, cafes and coffee shops	Non-Financial	Yes
2	Income generating asset creation	Income generation from cinema, restaurant and office space	Financial (cashable)	Yes
3	Community benefits created through engagement activities by Cinema Operator	Enhanced cultural offer	Non-Financial	Yes
4	Economic benefits	Every £1 spent on construction output generates £2.84 ¹ in total economic activity creating opportunities for employment and for the local supply chain.	Financial (non-cashable)	No
5	Creation of new community building	New building provides improved facilities and long	Non-Financial	No

¹ Source LEK Consulting 2010 Construction in the economy

		term lease arrangements		
6	Decreasing void rates in Grantham Town Centre	Businesses chose to operate in Grantham Increase in NDR income	Financial (cashable)	Yes
7	Job creation	During construction phase and post opening	Non-Financial	Yes
8	Benefits arising from obligations in construction contracts	Buying locally, employing locally	Financial (non-cashable)	Yes
9	Improved public realm	Improvements to the public realm space and increased attractiveness of the area	Non-Financial	No
10	Increased safety arising from restrictions bought in from the parking order	Less congestion, increased safety	Non-Financial	No
11	Increased use of car parks in comparison with 2017/2018 baseline	Better use of assets and income generation	Financial (cashable)	Yes

8 Next Steps

The Council owns the freehold of the site off St Catherine's Road. The Council is proposing to develop the site by building a 5 screen multiplex cinema, adjoining restaurants with office / leisure space and a community facility. The purpose of the development is to promote regeneration and inward investment in the area and add to the entertainment offer to boost the leisure economy.

Project Management support will be delivered in house with support from the appointed cost consultants. The contractor will be appointed via a Framework Agreement and their responsibilities will include all design coordination issues, direct liaison with identified and secured tenants, the professional team and liaison with the in house team for the A3 units over tenant fit out requirements. Internal resources will also focus on the governance, communications and legal aspect of the project.

The cinema will be provided to the tenant as a cold shell. The tenant's fit-out package will be tendered at the same time with the same contactors, the tenants will be a stakeholder in the specification/ build contract and they will provide their element of the development finance at the appropriate time.

The number of work packages is likely to be 3 as follows.

1. Cinema cold shell, A3 shell and core
2. Public realm.
3. Cinema fit out

They will need to fit with the SCAPE framework parameters.

9 Major Project Milestones

Work-stream	Indicative date
Agreement to lease agreed for new community facility with Grantham Senior Citizens Club (GSCC)	August 2016 Completed
Demolition GSCC existing building	Nov 2016 Completed
Market engagement to attract cinema operator	Oct 2016 Completed
GSCC build	May 2017 Completed
Preferred procurement method identified and approved	Completed
Procurement of Main Contractor –Project Request has been placed (No obligation) High level feasibility	September 2017
Project Order –Commit to Invest up to an Agreed cost to enable detailed design, prepare target costs, agree risk register etc,	September/ October 2017
Instruct agents to market A3 Units	October 2017
Appoint cost consultants	October 2017
Revised PID & Business Case approval	October 2017
Consented scheme build commencement for planning	November 2017
Agreement to lease agreed and exchanged for new cinema operator	November 2017
Stakeholder and 3 rd party matters reconciled	November 2017
Delivery Agreement	January 2018
Commence on building on site	March 2018
Demolish existing 2 screen cinema	May 2018
Pre lets for A3 Units and first floor	May / June /July 2018
Completion of scheme	Target date December 2018*

*Note the target date for completion of the scheme is known to be ambitious and it has not yet been assessed, priced or agreed by the contractor.

10 Constraints & Risks

Any constraints or risks that may impact on the ability of the project to deliver the recommended option with appropriate mitigating actions have been captured in a separate combined risk tracker document. This will be regularly monitored and updated by the project manager. A copy is attached at Appendix D (Exempt Document).

In summary the constraints or risks are;

- Pre start planning conditions require discharging
- Rights of access to neighbouring properties need to be maintained/ diverted
- Pre let tenants secured
- Asbestos –Known to be on site

11 Assumptions

Delivery of the consented scheme is dependent on the following assumptions.

- SKDC is the developer
- The preferred cinema operator signs an agreement for lease prior to entering into a build contract.
- Planning conditions are discharged
- Tendered costs will be in line with the cost estimates
- A3 units will be let within 12 months
- A suitable occupant will be secured for the first floor leisure/office space

12 Conclusion

In summary, the St Peter's Hill site presents an opportunity to enhance the leisure, entertainment and business offer in Grantham town centre using land already in the ownership of the District Council. The delivery is fundamentally de-risked by being on a site owned entirely by the Council and with an opportunity to pre let with an anchor tenant in the cinema operator.

Whilst on completion of both cinema and A3 units a commercially acceptable investment would be created for the Council, it is considered that this would not be something that the private sector would be prepared to deliver as the overall returns would not be what is expected from a modern commercial development. However, there is likely to be significant social and economic benefits to be achieved by the delivery of the project. It is considered that the cinema will be a catalyst for the positive enhancement of the economy of the whole town centre, and especially with regard to the development of an enhanced more “family friendly” evening/night-time economy.

Because the initial financial return is anticipated to be below commercially acceptable values, it is proposed that this scheme would be best delivered by the District Council as land owner.

13 Reference Documents

Appendix 1 – Phase 1 Development Plan

Appendix 2 - SCAPE Process Map

(Exempt Appendices under separate cover.) The information contained in the Exempt Appendix is exempt in accordance with paragraph 3 of Schedule 12A of the Local Government Act 1972 because it contains commercial and financial information relevant to the negotiations between the Council and the preferred operator of the proposed cinema.

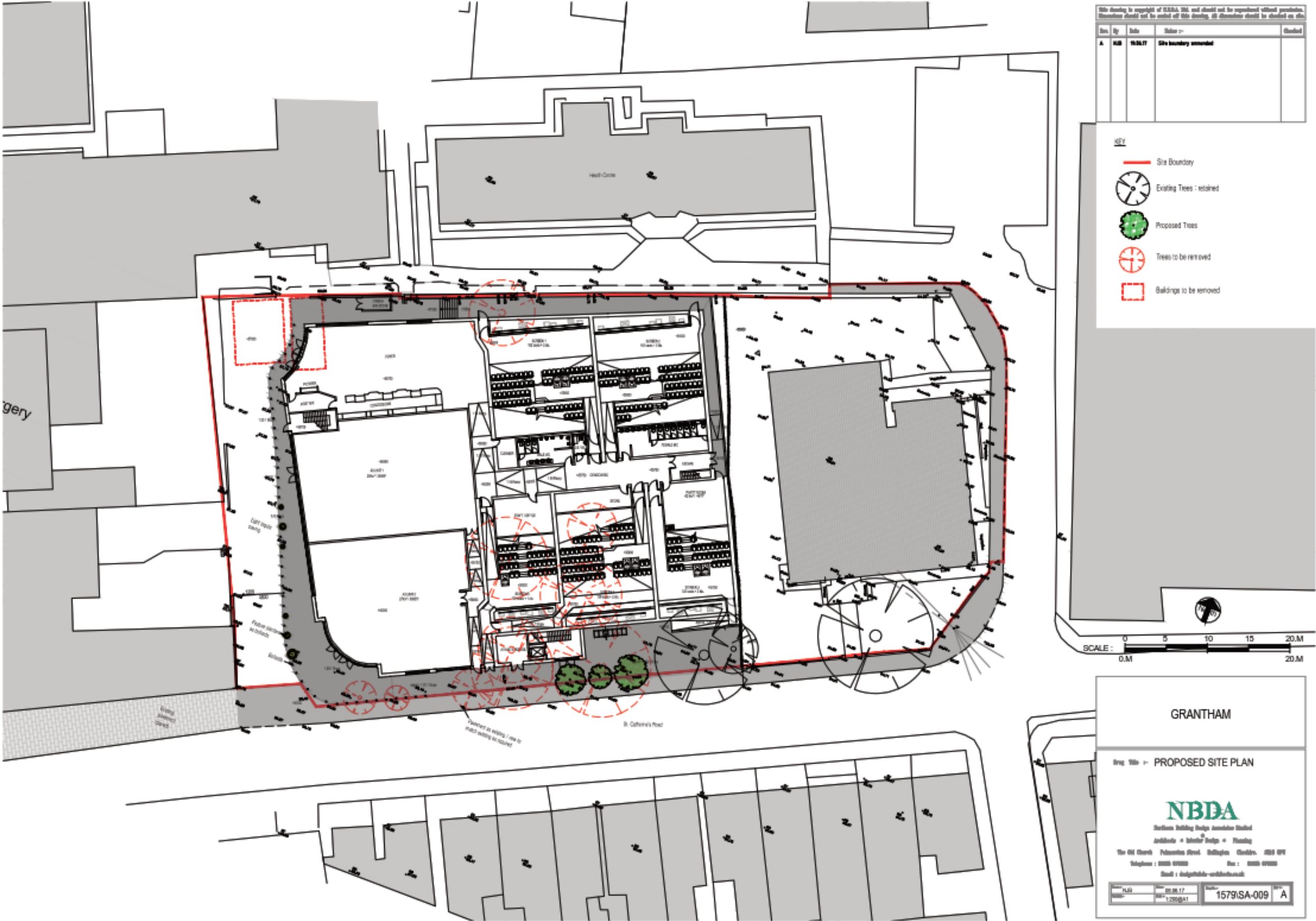
Appendix A –Savills and AECOM appraisal

Appendix B-Heads of terms for an agreement with the preferred cinema operator

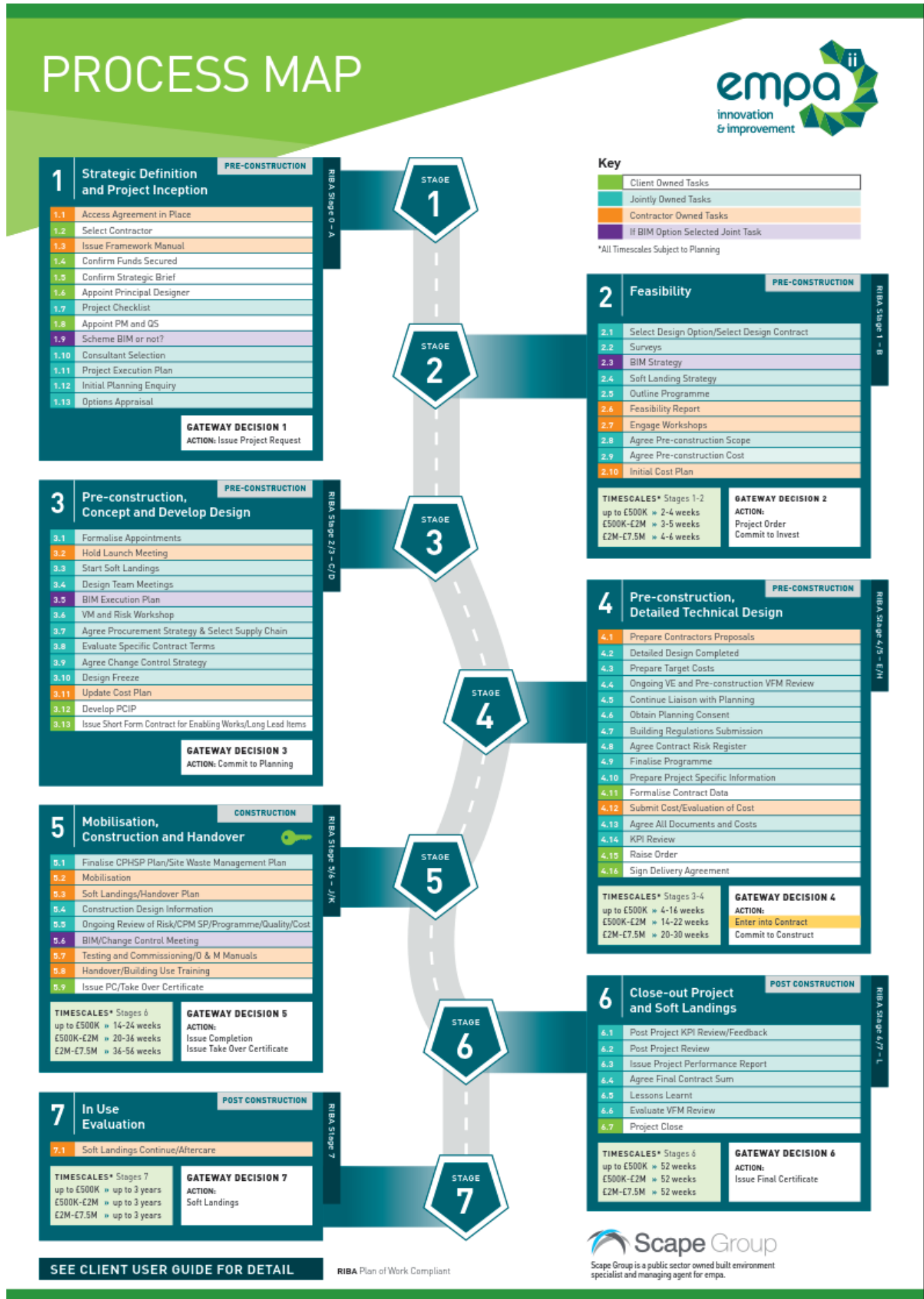
Appendix C-MACE Order of Costs Estimate

Appendix D-Risk Register & summary of changes

14 Appendix 1 – Phase 1 Development Plan (Not to Scale)



15 Appendix 2 – SCAPE Process Map



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted



CABINET

Report of: Councillor Adam Stokes
Cabinet Member for Finance

Report to:	Cabinet
Date:	12 October 2017
Subject:	Proposed amendments to General Fund Capital Programme (CFM438)

Decision Proposal:	Budget Framework Proposal
Relevant Cabinet Member:	Councillor Adam Stokes Cabinet member for Finance
Report author:	Richard Wyles, Corporate Finance Tel: 01476 406210 E-mail: r.wyles@southkesteven.gov.uk 27 September 2017
Reviewed by:	Daren Turner – Strategic Director Tel: 01476 406301 E-mail: d.turner@southkesteven.gov.uk 28 September 2017
Signed off by:	Daren Turner – Strategic Director Tel: 01476 406301 E-mail: d.turner@southkesteven.gov.uk 28 September 2017
Approved for publication	Councillor Adam Stokes, Cabinet member for Finance 2 October 2017

SUMMARY

This report sets out the proposed changes to the capital programme for 2017/18 in order to enable the necessary budget allocations to be made during the financial year.

RECOMMENDATION

Cabinet is asked to recommend to Council the following amendments to the capital programme:

Disabled Facilities Grant – increase to £733,770 for 2017/18
St Peter's Hill development – increase to £5.7M

1. BACKGROUND TO REPORT;

- 1.1 The capital programme was approved by Council at its meeting on 2nd March 2017 and it was subsequently amended by Council on 15th June 2017 to include the capital allocations to facilitate the 'Big Clean' initiative.
- 1.2 On 28th June 2017, the Council received a grant allocation of £733,770 from Lincolnshire County Council in respect to the District Council's entitlement of Government funding of Disabled Facilities Grant (DFG). This amount is a significant increase on previous year's allocations and is provided as part of the Government's Better Care Fund which is focussed at providing more joined up and customer focused services in order to reduce hospital and care admissions and enable people to return from hospital more quickly.
- 1.3 The details of the Council's response to the increased funding were detailed in a report to Communities and Wellbeing Overview and Scrutiny Committee on 5th September which set out options in respect of a policy to distribute the funding within agreed criteria. This is also considered as a separate item on this agenda.
- 1.4 The second amendment to the capital programme is in respect of the St Peter's Hill development project (which is also the subject of a separate agenda report elsewhere on the agenda).
- 1.5 Following negotiation of the heads of terms with the preferred cinema provider and preliminary works on site, a further budget requirement of £1.17M has been identified. Therefore a revised budget of £5.7M is required in order to deliver the ambitions of the project.
- 1.6 **Financing Proposals**
- 1.7 With respect to the proposed amendments, the increase in the DFG allocation will be wholly met from Government grant and it is recommended that the associated cost of administration will be directly funded from the grant.
- 1.8 It is proposed to finance the additional budget of £1.17M for the St Peters Hill project for 2017/18 from the specific St Peter's Hill reserve which has been replenished from available capital reserves and the local priorities reserve. The full details of the capital programme, financing statement and reserves statement are provided at appendix A

2. OTHER OPTIONS CONSIDERED

- 2.1 Not applicable

3. RESOURCE IMPLICATIONS

3.1 These are stated within the report.

4. RISK AND MITIGATION

4.1 Risk has been considered as part of this report and any specific high risks are included in the table below:

Category Risk	Action / Controls
Not applicable	

5. ISSUES ARISING FROM IMPACT ANALYSIS (EQUALITY, SAFEGUARDING etc.)

5.1 Not applicable

6. CRIME AND DISORDER IMPLICATIONS

6.1 There are none arising.

7. COMMENTS OF FINANCIAL SERVICES

7.1 These are included in the report.

8. COMMENTS OF LEGAL AND DEMOCRATIC SERVICES

8.1 The in-year change to the budget framework for 2017-2018 is proposed to be approved by Council in accordance with Budget and Policy Framework Procedure Rules.

9. COMMENTS OF OTHER RELEVANT SERVICES

9.1 None.

10. APPENDICES

10.1 Appendix A – Updated General Fund Capital Programme 2017/18
Updated Capital Financing Statement 2017/18
Updated General Fund Reserves Statement 2017/18

11. BACKGROUND PAPERS

11.1 None.

	Description	2016/17 Forecast Outturn £'000	2017/18 Indicative Base £'000	2017/18 Updated Base £'000	2018/19 Indicative Base £'000	2019/20 Indicative Base £'000	2020/21 Indicative Base £'000	2021/22 Indicative Base £'000
	Growth							
	Town Centre Development							
1	<i>St Peter's Hill Redevelopment</i>	310	-	500	5,200	-	-	-
2	Shop front scheme	130	163	130	130	130	-	-
3	Serviced Land	220	-	-	-	-	-	-
4	Property Investment Strategy	-	500	5,000	-	-	-	-
5	Local Authority Controlled Company	-	-	2,800	-	-	-	-
		660	663	8,430	5,330	130	-	-
	Housing							
6	Essential Home Grant Assistance	500	150	274	150	150	150	150
7	<i>Disabled Facilities Grant</i>	100	-	734	-	-	-	-
		600	150	1,008	150	150	150	150
	Culture							
	Provision for Existing Assets							
8	Grantham Council Offices - LV Panel	-	-	-	-	-	-	-
9	Meres Leisure Centre Improvements - 3G Pitch	160	-	-	-	-	-	-
10	Stamford Arts Centre - Theatre Seating	20	-	-	-	-	-	-
11	Meres Leisure Centre Equipment	12	-	-	-	-	-	-
12	Stamford Leisure Centre - Replace HWS Calorifiers	15	-	-	-	-	-	-
13	Bourne Leisure Centre - Replace HWS Calorifiers	-	40	-	-	-	-	-
14	Wyndham Park Improvement Works	-	853	358	119	-	-	-
		207	893	358	119	-	-	-
	Enviornment							
	Waste Management							
15	Street Scene Vehicle Procurement	185	161	180	525	502	825	130
16	Vehicle Replacement Programme	380	502	735	326	366	55	395
17	Pool Car Vehicles	-	-	124	128	-	-	-
18	Wheelie Bin Replacements	133	111	111	112	113	114	115
19	Big Clean Project	-	-	226	-	-	-	-
		698	774	1,376	1,091	981	994	640
	Corporate							
20	Customer Access Strategy (telephony upgrade)	28	-	-	-	-	-	-
21	Customer Relationship & Document Access Strategy	80	-	-	-	-	-	-
22	Financial System Upgrade	-	-	50	-	-	-	-
23	Sandbox Firewall	-	-	26	-	-	-	-
24	ICT Infrastructure	64	-	-	-	-	-	-
		172	-	76	-	-	-	-
25	TOTAL GENERAL FUND CAPITAL PROGRAMME	2,337	2,480	11,248	6,690	1,261	1,144	790

	Description	2016/17 Outturn £'000	2017/18 Indicative Base £'000	2017/18 Updated Base £'000	2018/19 Indicative Base £'000	2019/20 Indicative Base £'000	2020/21 Indicative Base £'000	2021/22 Indicative Base £'000	
1	Growth	510	663	8,430	5,330	130	-	-	#
2	Housing	466	150	1,008	150	150	150	150	
3	Culture	165	893	358	119	-	-	-	
4	Environment	412	774	1,376	1,091	981	994	640	
5	Corporate	55	-	76	-	-	-	-	
6	TOTAL - CAPITAL PROGRAMME	1,608	2,480	11,248	6,690	1,261	1,144	790	
	GENERAL FUND FINANCED BY:								
7	Supported Borrowing	-	-	-	-	-	-	-	
8	Unsupported Borrowing	-	-	-	-	-	-	-	
9	Specific Reserve - Revenue			226					
10	Specific Reserve - Capital	-	1,019	1,067	49	811	-	-	
11	Specific Reserve - St Peters Hill	370	-	500	5,200	-	-	-	
12	Usable Capital Receipts	520	-	66	803	-	759	405	
13	Capital Grants and Contributions								
	- Disabled Facility Grant	376	-	734	-	-	-	-	
	- Heritage Lottery Funding	-	768	244	177	-	-	-	
14	Direct Revenue Financing								
	- Cemetery Works - SEA	-	5	5	6	-	-	-	
	- Wyndham Park Fountains - SEA	-	5	5	5	-	-	-	
	- Wyndham Park - SEA	-	55	60	-	-	-	-	
	- Mere's Leisure Centre	-	-	-	-	-	-	-	
	- S106 Monies	23	15	15	-	-	-	-	
	- Transformation Reserve	-	15	-	-	-	-	-	
	- ICT reserve	37	-	76	-	-	-	-	
	- Shop Front Scheme	24	98	65	65	65	-	-	
	- Local Priorities Reserve	-	-	7,800	-	-	-	-	
	- Contribution from Revenue	258	500	385	385	385	385	385	
15	TOTAL - GF CAPITAL PROGRAMME	1,608	2,480	11,248	6,690	1,261	1,144	790	

GENERAL FUND RESERVES STATEMENT

	Balance as at 31 March 2016 £'000	Movement on Reserve in year £'000	Balance as at 31 March 2017 £'000	Forecast Movement on Reserve in year £'000 in	Forecast Movement on Reserve in year £'000 out	Forecast Balance as at 31 March 2018 £'000	Forecast Movement on Reserve in year £'000 in	Forecast Movement on Reserve in year £'000 out	Forecast Balance as at 31 March 2019 £'000	Forecast Movement on Reserve in year £'000 in	Forecast Movement on Reserve in year £'000 out	Forecast Balance as at 31 March 2020 £'000
Revenue Reserves												
Service Specific Funds	76	(4)	72		-	72		-	72		-	72
Capacity Building, Priority Setting and Service Improvement Reserve												
Events and Festivals - Gravity, Deepings & Georgian	359	(131)	228		(100)	128		(120)	8		(115)	107
Apprenticeships	100	-	100		(22)	78		(22)	56		(20)	36
Broadband infrastructure	550	-	550		-	550		-	550		0	550
Waste & Recycling Initiatives	156	-	156		-	156		-	156		0	156
Support for Corporate Reviews	53	-	53		-	53		-	53		0	53
Business Support	100	-	100		-	100		-	100		0	100
ICT investment	300	(32)	268		(96)	172		-	172		-	172
Transformation Programme	829	(137)	692		(21)	671		(22)	649		-	649
BR and CTS volatility Reserve	1,729	-	1,729		(663)	1,066		214	1,280		(339)	941
Maintenance	134	(134)	-		-	-		-	-		-	-
Economic Development & Growth	150	(59)	91		(60)	31		(120)	89		-	89
Tourism	50	(10)	40		-	40		-	40		-	40
Building Control	37	(37)	-		-	-		-	-		-	-
Community Based Initiatives												
Hardship & Welfare	50	-	50		-	50		-	50		-	50
Future Service Improvement Reserve	1,347	-	1,347		(47)	1,300		(47)	1,253		(49)	1,204
Community Fund	239	(89)	150		(90)	60		(60)	-		-	-
	6,183	(629)	5,554		(1,099)	4,455		(177)	4,278		(523)	3,755
Local Priorities Reserve	9,752	3,985	13,737	3,168	(10,430)	6,475	2,200	-	8,675	2,000	-	10,675
Invest to Save	358	-	358		-	358		-	358		-	358
Insurance Reserve	350	-	350		-	350		-	350		-	350
Pensions Reserve - Former Employees	185	35	220		(69)	151		(70)	81		(71)	10
- Current Employees	1,513	912	2,425		(101)	2,324		(727)	1,597		(847)	750
Building Control	(91)	25	(66)	6		(60)	15		(45)	23		(22)
Special Expense Areas Reserve	161	41	202	31	(70)	163	62	(11)	214	71		285
Total General Revenue Reserves	18,487	4,365	22,852		(11,769)	14,288		(985)	15,580		(1,441)	16,233
Government Grants Received	517	175	692		(62)	630		(32)	598		-	598
Working Balance	1,913	(115)	1,798		-	1,798		-	1,798		-	1,798
Total Revenue Reserves	20,917	4,425	25,342		(11,831)	16,716		(1,017)	17,976		(1,441)	18,629
Capital Reserve												
Local Authority Mortgage Scheme Reserve	199	67	266	38	-	304	26	-	330			330
General Fund Capital Reserve	2,008	0	2,008	1,000	(2,008)	1,000	1,000	(49)	1,951		(811)	1,140
St Peter's Hill Development	889	(370)	519	2,684	(500)	2,703	2,497	(5,200)	0		0	0
Useable Capital Receipts Reserve	2,540	384	2,924	815	(66)	3,673	200	(3,300)	573		-	573
Total Capital Reserves	5,636	81	5,717	4,537	(2,574)	7,680	3,723	(8,549)	2,854	0	(811)	2,043
Total General Fund Reserves	26,553	4,506	31,059	4,537	(14,405)	24,396	3,723	(9,566)	20,830	0	(2,252)	20,672



CABINET

Report of: Councillor Nick Robins
Cabinet Member for Retail and Visitor Economy

Report to:	Cabinet
Date:	12th October 2017
Subject:	Proposed changes to Car Park Tariffs – Welham Street Grantham
	Report No: PD024

Decision Proposal:	Council decision
Relevant Cabinet Member:	Councillor Nick Robins Cabinet Member for Retail and Visitor Economy
Report author:	Paul Stokes - Service Manager, Venues and Town Centre Management Tel: 01476 40 64 10 E-mail: p.stokes@southkesteven.gov.uk Date: 29 September 2017
Reviewed by:	Richard Wyles - Corporate Finance Manager Tel: 01476 40 62 10 E-mail: r.wyles@southkesteven.gov.uk Date: 29 September 2017
Signed off by:	Daren Turner - Strategic Director Tel: 01476 40 63 01 E-mail: d.turner@southkesteven.gov.uk Date: 29 September 2017
Approved for publication:	Councillor Nick Robins Date: 29 September 2017

SUMMARY

Growth Overview and Scrutiny Committee considered report No CFM436 on 4th October 2017. This report proposes amendments to the car parking tariffs at Welham Street Grantham, in order to introduce a leisure tariff rate that will appropriately complement the adjoining leisure offer that is being developed.

Cabinet are requested to consider recommendations made by the Growth Overview and Scrutiny Committee in order that the Council can consult on the proposed new Parking Order in accordance with the relevant Regulations. The recommendations from the Growth Overview and Scrutiny Committee will be presented to the Cabinet meeting.

The responses to consultation would be reported prior to Council being requested to make the necessary amendments to the Order.

RECOMMENDATION

- 1 That Cabinet determine the proposed tariff structure on which to consult and authorises consultation in accordance with the relevant Regulations.

1. BACKGROUND TO REPORT

- 1.1 The proposed new Parking Order amends the existing 2017 Parking Order; South Kesteven District Council Civil Enforcement Off-Street Parking Places Order 2017 ("Existing Parking Order"). The amendments are identifiable in red on the tracked changed document at Appendix 1 to this report.
- 1.2 The "Leisure tariff" for Welham Street car park forms part of the proposed Heads of Terms developed with the preferred cinema operator of a new 5 screen cinema as part of the St Peter's Hill development. The development also includes new restaurants. The "Leisure tariff" is required to assist in establishing this new leisure venue as the destination of choice for those customers within a 15 to 30 minute drive time catchment area. The tariff would be for a maximum stay of 4 hours and only applicable to Welham Street car park in Grantham. Customers using this car park for all day parking or shorter stays would pay the prevailing charge. The "Leisure tariff" would be available to anyone using the car park as well as supporting those customers that wish to experience the offer at the cinema, restaurant or Guildhall Arts Centre.
- 1.3 Cinema films vary considerably in length, however most fall within 120-200 minutes (2-3hrs) running time. The "Leisure tariff" for a maximum of 4 hrs would therefore support a visit before 6:00pm to the cinema or Guildhall Arts Centre and a restaurant meal before or after a show. Equally it could be used by anyone accessing the town centre for a variety of reasons. However the primary purpose of the targeted "Leisure Tariff" is to help establish the new destination for a leisure experience in Grantham town centre.
- 1.4 The stated St Peter's Hill redevelopment project objectives are:

- Provide a viable, contemporary, state of the art multi screen cinema complex.
- Support and enable development of a diverse daytime and evening economy through the creation of associated new A3 restaurant space.
- Improve the attractiveness of the public realm both in, leading to and around the scheme.
- Improve pedestrian access and connectivity to the wider town centre and to fundamentally extend the 'dwell time' of visitors.
- Act and attract as a stimulus and a destination for further investment in the town centre.

It is considered that the introduction of a "Leisure tariff" will support the achievement of these objectives.

- 2.0 The Road Traffic Regulation Act 1984 gives Local Authorities power to provide parking places and regulate the use of the parking place by way of a Parking Order. Welham Street car park is currently a long and short stay car park which is regulated by the South Kesteven District Council Civil Enforcement Off-Street Parking Places Order 2017.
- 2.1 The Road Traffic Regulation Act 1984 gives Local Authorities power to provide parking places and regulate the use of the parking place by way of a Parking Order, providing that consultation is carried out with the statutory bodies (Freight Transport Association, the Road Haulage Association, the Chief Officer of Police and the local Highway Authority – Lincolnshire County Council) and the general public. The consultation must be in accordance with Local Authorities Traffic Orders (Procedure) (England and Wales) Regulations 1996.
- 2.2 The consultation consists of writing to and sending a copy of the New Parking Order to those statutory bodies and publishing, at least once, a notice of the proposals in a local newspaper circulating in the area to which the Order relates. Also, a notice is to be placed in the affected areas. The same notice and a copy of the New Parking Order must also be made available for inspection at the Council's Customer Service Area.

3. OTHER OPTIONS CONSIDERED

- 3.1 A car park charge rebate scheme to cinema customers was promoted to the Council by the Cinema operator but was rejected in further negotiations over the development of the Heads of Terms.

4. RESOURCE IMPLICATIONS

- 4.1 These are stated at paragraph 8.

5. RISK AND MITIGATION

- 5.1 Risk has been considered as part of this report and any specific high risks are included in the table below:

Category Risk	Action / Controls
None identified at this stage	Review following consultation responses

6. ISSUES ARISING FROM IMPACT ANALYSIS (EQUALITY, SAFEGUARDING etc.)

6.1 None arising from this report.

7. CRIME AND DISORDER IMPLICATIONS

7.1 Parking in off street parking places can be regulated by Order to prevent misuse. Crime and disorder implications increase if an Order is not made and car parking cannot be regulated.

8. COMMENTS OF FINANCIAL SERVICES

8.1 Financial modelling has been undertaken on the proposals and is based on a proposed tariff structure as follows:

Duration	Current charge Levels 1 - 2	Current Charge Levels 3 - 6	Proposed new tariff Levels 1 - 6
Up to 30 mins	50p	n/a	n/a
Up to 1 hour	80p	n/a	n/a
Up to 2 hours	£1.30	n/a	n/a
Up to 3 hours	£1.80	£1.80	£1.00
Up to 4 hours	£3.00	£2.50	£1.50
Over 4 hours	£4.00	£3.00	£3.00

8.2 There are financial implications of introducing a new tariff structure and this has been modelled on current usage only. It is acknowledged that there would be an uplift in usage of the car park once the adjoining leisure offer is available. Based on current utilisation levels the proposed tariffs would reduce income levels from £158K to circa £135K due to the overall reduction in tariff rates from 3 hours and above. There would also be additional operational costs to reflect an increase in security arrangements. Again it is acknowledged that the increased usage of the facility is expected to mitigate any reduction in income levels and also be of sufficient level to offset the increase in operational expenditure.

9. COMMENTS OF LEGAL AND DEMOCRATIC SERVICES

9.1 Any Order regulating parking must be implemented in accordance with the provisions of the Road Traffic Regulation Act 1984, which includes consultation with the regulatory statutory bodies and members of the public. The process for introducing a new order is contained in the Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996.

10. COMMENTS OF OTHER RELEVANT SERVICES

10.1 None

11. APPENDICES

11.1 Appendix 1 – suggested amendments to Existing Car Parking Order

12. BACKGROUND PAPERS

12.1 None



CABINET MEMBER DECISION

Decision:

That approval is granted to contribute £36,300.40 of Section 106 funds to Stamford Town Council towards the total costs of the following projects to improve play facilities at Stamford Recreation Ground:

- 1 - Fencing around the grass tennis courts and bowling green;**
- 2 - Extension to the Shack building;**
- 3 - Outdoor play equipment for all abilities.**

This is subject to Stamford Town Council providing written confirmation that the additional £33,384.60 match funding that they will provide towards the total project costs is in place.

(1) Details of Decision

To seek approval to contribute Section 106 funds to Stamford Town Council towards projects to improve play facilities at Stamford Recreation Ground.

(2) Considerations/Evidence

The Section 106 funding towards these projects was secured from two developments at Belvoir Close, Stamford.

S13/0150 was a development for 15 dwellings that was conditionally approved on 5 September 2013. The Section 106 Agreement for this development included a contribution of £30,521.00 (index linked) towards "the cost of the provision of informal/ natural open space or the provision or enhancement or upgrade of existing play facilities in Stamford".

S13/2586 was a development for 7 dwellings that was conditionally approved on 17 January 2014. The Section 106 Agreement for this development included a contribution of £14,715.00 (index linked) towards "the cost of the provision of informal/ natural open space or the provision or enhancement or upgrade of existing play facilities in Stamford".

(3) Reasons for Decision:

When index linked £31,335.70 and £14,964.70 respectively was paid by Linden Homes on 28 November 2014. £10,000 of these funds has been allocated to the play facilities as part of the SKDC development off Lincoln

Road, Stamford.

These Section 106 funds are time limited and these are subject to expiration on 28 November 2019. All of the funds to be expended comply with the section 106 agreements or have the agreement for expenditure from the developer.

Stamford Town Council has requested that the remaining £36,300.40 of these funds be allocated as match funding towards the following projects to improve play facilities at the Stamford Recreation Ground:

- 1 - Fencing around the grass tennis courts and bowling green;
- 2- Extension to the Shack building (a Youth Centre on the Recreation Ground owned by Stamford Town Council);
- 3- Outdoor play equipment for all abilities.

Stamford Town Council has had quotations to carry out the above projects as follows:

- 1 - Fencing around the grass tennis courts and bowling green (£14,150.00);
- 2 - Extension to the Shack building (£10,440.00);
- 3 - Outdoor play equipment for all abilities (£45,095.00).

Stamford Town Council have indicated that their priority is to fund the first two projects (fencing and Shack building extension) with the match funding for the total project costs (£33,384.60) coming from grant funding and allocated budget resources.

The use of this Section 106 funding towards these improvements on Stamford Recreation Ground will provide new and enhance existing facilities for “play” within Stamford and is therefore appropriate to the wording in the legal agreements.

Comments from Venues and Facilities - Whilst we have several play areas that could also benefit from the 106 funding it is sensible that on this occasion the funding is directed towards the Recreation Ground as there is match funding and significant overall Community benefit which fits with our own ambitions.

Conflicts of Interest

(Any conflict of interest declared by any other Cabinet Member consulted in relation to the decision to be recorded).

NONE

Dispensations

(Any dispensation granted by the Monitoring Officer in respect of any declared conflict of interest to be noted).

NONE

Decision taken by:

Name: Councillor Dr Peter Moseley
Cabinet Member for Environment

Date of Decision: 14 September 2017

Date of Publication of Record of Decision: 15 September 2017

Date decision effective (i.e. 5 days after the date of publication of record of decision unless subject to call-in by the Chairman of an Overview and Scrutiny Committee or any 5 members of the Council from any political groups):

23 September 2017



URGENT CABINET MEMBER DECISION

Decision:

That approval is given for the draft Housing Strategy and draft Action Plan to be published for wider consultation for a period of 6 weeks from the 14th September 2017.

(1) Details of Decision

To seek approval for the draft Housing Strategy and draft Action Plan to be published for wider consultation following comments received preceding and at Cabinet on 7th September 2017.

(2) Considerations/Evidence

Since the repeal of section 87 of the Local Government Act 2003 on 26 May 2015 there has been neither a statutory or regulatory provision imposing a requirement to have a Housing Strategy, however, it is nevertheless recognised as best practice to do so.

An initial Equality Impact Analysis has been carried out and we have identified that the Housing Strategy will have a positive impact on older persons and people with disabilities. At this stage, we do not know the full extent of this impact. We will, therefore, actively seek to directly consult with these identified groups through the consultation process.

(3) Reasons for Decision:

The current Housing Strategy for South Kesteven lasts up to 2018.

Two Housing Summits were held at the start of the year to consider the changing national housing environment, as well as the specific challenges facing the South Kesteven housing market.

A key challenge is the decline in the number of new homes being constructed against a growing and ageing population.

The Communities and Wellbeing Overview and Scrutiny Committee considered the contents of the draft Housing Strategy (HS1) on the 11th July and endorsed a series of roundtables with key sectors of the housing industry.

A series of five housing roundtable discussions were held between 17th and 31st July, involving Developers, Registered Providers, Other Local Authorities,

Landowners and Landlords.

The Communities and Wellbeing Overview and Scrutiny Committee considered a second draft of the Housing Strategy (HS2) on 5th September and recommended that draft for wider consultation.

Report HS3 was considered by Cabinet on the 7th September.

In the run up to Cabinet, and during its meeting on the 7th September, Cabinet Members and those other Members in attendance provided comments on the Housing Strategy.

These changes are reflected in the updated draft Housing Strategy and Action Plan.

Conflicts of Interest

(Any conflict of interest declared by any other Cabinet Member consulted in relation to the decision to be recorded).

NONE

Dispensations

(Any dispensation granted by the Monitoring Officer in respect of any declared conflict of interest to be noted).

NONE

Decision taken by:

Name: Councillor Nick Neilson
Cabinet Member for Communities and Wellbeing

Date of Decision: 12 September 2017

Date of Publication of Record of Decision: 12 September 2017

Date decision effective: 12 September 2017

Decision taken under special urgency provision by an individual Cabinet Member to allow for the timetable for the consultation period to commence from 14th September 2017 following comments

made at the Cabinet meeting on 7th September 2017. The decision is not subject to the call-in procedure.



South Kesteven's Housing Strategy 2017 – 2021(draft)



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Executive Summary

There aren't many things more important to our residents than their homes, and what's important to our residents is important to us.

We know how many houses need to be built and we have a good idea where most of that housing will go, we know that we need to work with some landlords to raise standards in the private rented sector so that homes are safe, and we know that in keeping the streets clean, town centres flourishing and our cultural offer blossoming we can attract – and keep – residents in South Kesteven.

This document sets out how we will do this.

Leader ————— Cllr Nick Neilson

Cabinet Member

Introduction

South Kesteven is an attractive, prosperous and safe place to live, work and visit, and is consistently rated by Halifax surveys as one of the best rural areas to live in the country. Covering over 365 square miles, the district has four distinctive market towns and over 80 villages.

People are attracted to the area because of its excellent access to the A1 and the East Coast Mainline (London is only an hour away), its relatively inexpensive housing and high achieving schools. The district is a healthy place to live with an active labour market and unemployment levels well below the East Midlands average.

We have ambitious annual targets for housing delivery across the district, with plans underway to support the delivery of the Spitalgate Garden Village near Grantham. This site is one of just fourteen locations selected by Government to access a £6 million fund to support the delivery of 3700 mixed tenure homes alongside a business park creating 4000 new jobs and opportunities for companies to grow.

However, we have some significant housing challenges; some 21% of our population is aged over 65, and this is expected to grow to 31% by 2037; demand for homes continues, although housing is becoming gradually more unaffordable for many people; the quality of existing rental homes is often not good enough; there are pockets of deprivation, with some aspects more apparent in rural areas with limited access to services.

Since our previous housing strategy there have been a number of legislative and policy changes and it is now timely to review the current strategy and establish new priorities to address the changing environment in which we are working.

Vision

At the heart of the strategy is the vision that homes are a fundamental part of our lives. Houses should be healthy, good quality, sustainable, and secure, providing the environment for people to thrive and achieve. Good housing in vibrant and attractive towns and villages supports a strong economy and ~~creates~~helps create a community where people want to live, work and invest.

Four theme areas have been identified and developed, which will help us to address the challenges and achieve the best possible housing outcomes.

The theme areas are:

1. To help meet the housing needs of residents
2. Facilitate the delivery of new housing across a range of tenures
3. Enable those whose independence may be at risk to access housing (including their current home) which meets their needs
4. Encourage, support and regulate the private rented sector to provide well managed, safe homes
5. ~~To help meet the housing needs of residents~~

Achievements

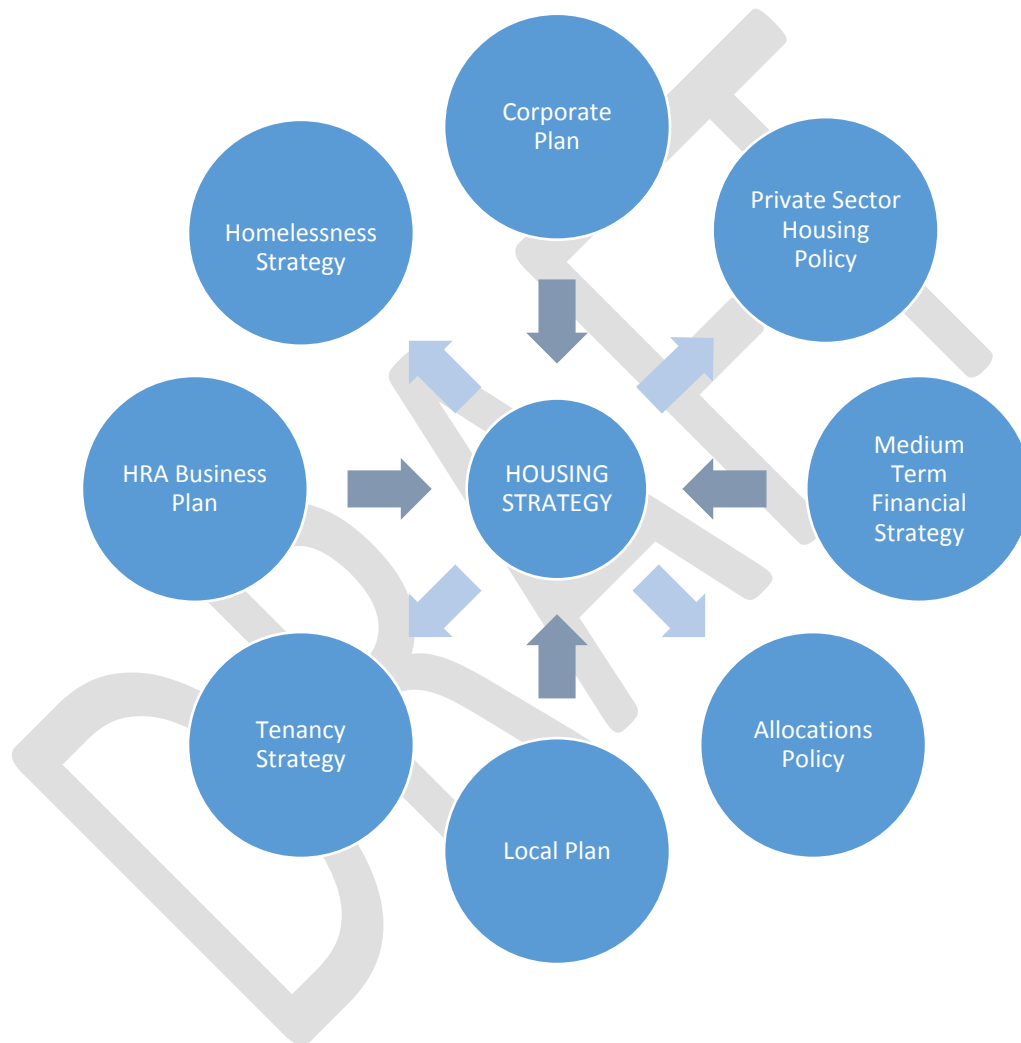
Since the start of our previous Housing Strategy (2013) the economic climate has presented a range of challenges. However, the following are some of the key achievements delivered to date:

- ~~15472040~~ net new homes delivered
- ~~343368~~ new affordable homes delivered
- 4135 dwellings with planning consent
- Consulted on a new draft local plan with land allocations representing a total of 17,000 new homes by 2036
- Retrofitted external wall insulation to 770 council homes
- Improved the homes of 213 vulnerable owner occupiers through grants
- Funded disabled adaptations to 243 private sector homes
- ~~Maintained low levels of rough sleeping~~
- ~~Reduced significantly our use of Bed and Breakfast accommodation~~
- Helped 51 households to move from overcrowded housing
- ~~Delivered a mixed use housing and commercial development in Bourne~~
- Secured Government funding to support the Spitalgate Garden Village
- Obtained Land Fund Partner status for the Government's Starter Homes Initiative

Links to other strategies

The housing strategy works alongside existing plans and strategies, providing a framework for the delivery of our housing priorities.

Importantly, the Council cannot deliver this strategy in isolation, and while we have a central role, we need the support and co-operation of all those involved in building, providing and managing homes in the district to deliver the best outcomes for our residents.



A Snapshot of South Kesteven

Our residents

- South Kesteven has a population of 138,000. The largest of the Lincolnshire districts.
- The population is predicted to increase by 19% to 159,120 by 2036.
- 61% of our population is of working age, with an upward trend in the number of people who are 65+ years.
- Life expectancy is 84 years for females and 80 for males.
- There are approximately 147 people per km², marginally more 'dense' than the Lincolnshire average of 124 people per km².
- Households are becoming smaller with 28% of households being single.
- The median gross full time pay earned by a person living in South Kesteven is £468 per week.
- The number of people applying as homeless has risen by a fifth since 2010/11.
- ~~Rough sleeping remains low, estimated at 0.02 per 1000 households in 2016.~~
- There are around 3,650 people on our housing register, of which around 875 have an evidenced housing need.
- Levels of disability are increasing at the same rate as the rise in population, however, the vast proportion of disabled people live in unadapted housing.

Our homes

- There are around 62,400 households in South Kesteven, expected to increase to over 71,000 by 2036.
- 70% of households own their own home, 16% rent privately and 14% live in a socially rented home. The private rental sector has grown from 11% in 2009, while owner occupation has reduced by 6%.
- It is estimated that 17% of owner occupied and 25% of private rented homes have a serious home hazard.
- Approximately 26% of private rented homes will be affected by minimum energy efficiency standards being introduced from 2018.
- The rural nature of the district means that over 10,000 (17%) of homes are not connected to the gas network, reducing fuel choice and impacting on affordability.
- Around 2% of homes in the district have been empty for more than 6 months.
- Over 50% of those on our housing register are in need of 1 bedroom accommodation.
- The use of temporary accommodation is increasing due to the lack of affordable housing solutions locally.

Our housing costs

- The median house sale price in 2016 was £180,986 (up from £149,000 in 2009), this ranges from around £250,000 for a detached house to £95,000 for a flat/maisonette.
- The median house price is 7.35 times the median (residence based) gross earnings (2016) This ratio shows an upward trend and is the highest in Lincolnshire.

- The average monthly private rent in 2015-16 was £609, an increase of 3% on 2014/15. Rents vary across the district, with levels in Stamford typically higher than in Grantham.
- Ten percent of households are in fuel poverty according to the low income/high cost definition, with rural communities experiencing significantly higher concentrations.
- Residents are using the Help to Buy Equity Loan Scheme for new homes, with 394 completed between April 2013 and September 2016, of these 78% were first time buyers, helping to stimulate housing supply.

Our economy and growth

- South Kesteven has a projected need for an additional 700625 new homes per annum. 646 new homes were completed in 2014-15, of which 92 were affordable.
- The draft new Local Plan contains a projected target between 680 and 720 dwellings per annum.
- There were 11,305 house sales in the district in 2015, of these the majority were of detached properties (45%), followed by 25% semi-detached, 23% terraced and 7% flats/maisonettes.
- Our grammar schools and academies are high performing with over 76% of students having good GCSE's. However only 30% of our residents are educated to degree level and above, which is lower than the regional and national averagesaverage of 35% and this reflects in elements of our local jobs market.
- Employment levels are high, with the unemployment claimant rate standing at 3.6% of working age population in comparison with 4.8% nationally.
- Employment is forecast to grow by 16% during the period 2011 to 2036.
- There are currently 5795 enterprises in the district, a 4.4% increase on 2015. 98% of these enterprises have less than 50 employees.

Our health and wellbeing

- South Kesteven is ranked 223 out of 326 districts according to the Indices of Deprivation 2015. Although, although there are disparities with the Grantham Earlesfield and Grantham Harrowby Wards being the most deprived and Stamford St Johns being the least deprived area in the district.
- About 14% of children live in low income families. The Child Poverty Act 2010 set a target of 10% by 2020.
- At 17.1 (period August 2012 – July 2015), the ratio of excess winter deaths to average non-winter deaths is not significantly different from the England average.
- Overall life expectancy is higher than the England average; however, life expectancy for men is 5.9 years lower and for women 6 years lower in the most deprived areas of the district than in the least deprived area (2013-2015).
- 7,652 adults aged over 65 report having a long term illness which limits day to day activities a little, while 6,298 report this as a lot.
- Fourteen percent of those with an evidenced need on the housing regiserregister are living in crowded conditions.

Challenges

The recent Government Housing White Paper “Fixing our broken housing market” published in February 2017 represents a key shift in Government policy focus towards a tenure neutral approach to increasing the pace and volume of housing supply.

We are committed to improving the lives of our residents alongside creating opportunities for growth and prosperity for businesses and local people. However, we recognise that to build on our successes we have challenges to overcome.

Delivering new homes

Challenge Statement: There is a national shortage of new homes, which means life choices are being reduced and opportunities to expand the economy are being missed.

The forecast increases in local population and the Government target to build 200,000 homes nationally by 2020 means that we will need a range of housing options which will support housing supply and economic growth. While we have a sufficient land supply, unlocking sites and working with developers to encourage the development of housing which meets the future needs of our residents will be a key part of our future role.

As well as building more homes, it is important that we maximise the use of existing homes by encouraging empty homes back into use. As a stock retaining authority South Kesteven District Council has ~~around 6,130~~ 128 properties as at 31st March 2016. Under occupation is a barrier to better utilisation, we need to develop a better offer for people enabling them to downsize to homes which better meet their needs.

Key outcomes to address these challenges:

- The development of high quality, sustainable, housing that reflects the character and increases the desirability of South Kesteven as a place to live.
- Support the up-front delivery of essential infrastructure on key development sites.
- Support Government initiatives to encourage developers to bring forward housing delivery housebuilders who are not delivering fast enough.
- Ensure that planning processes encourage land owners and developers to bring potential housing sites to the market with the required infrastructure in place.
- Making the best use of existing property that can quickly be converted to housing.
- Encourage the development of a skilled workforce that can meet the housing delivery needs of the district.
- Disaggregation of large housing sites to enable smaller developers to deliver at pace.
- The availability of a sustainable rental market that is a genuine, affordable, alternative to home ownership.
- The need for a tailored approach to housing delivery; Bourne, Market Deeping, Stamford, Grantham and the rural areas have very different markets and these may require different approaches to housing delivery.

Ensuring quality housing

***Challenge Statement:** The private rented sector (PRS) makes up 16% of our housing stock, the sector is facing unprecedented changes in legislation that aims to raise standards and drive out “rogue” landlords.*

Poor housing conditions have a negative impact on health and wellbeing. While many people choose the private rented sector for its flexibility, others who would have previously purchased a home or rented social housing are increasingly relying on this option. This has the effect of increasing rents and shrinking the cheaper end of the market where people accept poorer quality housing at a price they can afford. We will need to utilise new legislation and take timely action to continue to protect tenants and their families against rogue landlords and ensure that the energy efficiency of homes meets new minimum standards to enable them to continue to be let and be affordable to live in.

Key outcomes to address these challenges:

- Fully-informed landlords and letting agents who know what they have to do to improve the quality of their properties.
- Improvement in the PRS market, but without creating so much pressure that tenants are forced out of PRS.
- Protection for tenants who often have no choice but to settle for lower quality rental property.
- Develop new ways of engaging with the sector to enable access for people on low income, on benefits or who are under 35 years old.

Providing choice for older and disabled people

***Challenge Statement:** Life expectancy is increasing, but as people age they are progressively more likely to live with illness, disability and frailty and need additional support*

The increasing ageing population puts an increased demand on a particular sector of the housing market including specialist and supported housing. Increasing emphasis is being placed on re-designing service offers from health, social care, support and adaptation services to help residents who wish to remain in their own home to live independently or to move to more suitable accommodation. Many are keen to move to more suitable homes but there appears to be a shortage of accommodation that meets people's needs and expectations. Traditional sheltered housing offered by social housing landlords does not appeal to everyone, while the market for “new generation” retirement homes is slow to develop.

Key outcomes to address these challenges:

- Enable ~~households~~households' access to accommodation in properties that meet their needs, and to facilitate them moving to more suitable properties where required.
- To enable people to live independently, but with appropriate support that can be called-on when required.
- Encourage an appropriate provision of high-quality, skilled, carers who are able to support independent living.
- ~~Encourage~~Work with the County Council to encourage the provision of affordable places in care homes.
- Utilise our strategic partnerships to clarify the range of affordable housing required across the district to meet the needs of people with learning disabilities, mental health problems and physical disabilities.

Supporting housing need

Challenge Statement: It is becoming increasingly difficult to source and secure affordable accommodation for people on lower or insecure incomes to meet their needs, and for those households to sustain that accommodation.

The Welfare Reform Act ~~is introducing~~has introduced numerous changes that affect the income people receive, meaning that more households are experiencing difficulties in meeting their housing costs. The majority of people under 35 living in private rented accommodation can only receive Local Housing Allowance (LHA) for a room in a shared property. From April 2018 this will extend to social rented homes, this is likely to result in increased homelessness amongst this population if they are unable to pay their rent. In addition to this, the “benefit cap” will reduce the maximum amount a non working, non disabled household can receive in state benefits to £20,000 per year (£13,400 for single adults). The lack of shared accommodation in the district combined with these changes will affect the ability of these households to find affordable accommodation and pay rent.

~~The Government is now considering removing housing benefit for 16 to 18 year olds, this will mean they will have to remain with their families for longer and will take longer to become independent.~~

The Homeless Reduction Act 2017 introduced new duties on local authorities from April 2017 to assess, prevent and relieve homelessness. Intervening early before a crisis occurs is a key focus and will require partnership working to enable specific targeted work with those who we anticipate will face difficulties with effective support. This will have a considerable impact on the work of the Council.

The Government proposes to make changes to the funding of supported housing. It will be crucial to ensure a sustainable future for supported housing.

The Government remains committed to the ongoing removal of the spare bedroom subsidy and is considering applying the same approach to those of pensionable age (who were previously exempt).

Initial work with the NHS and other statutory partners has begun to clarify the need for a range of affordable housing to be provided across the district as an alternative to

hospital or residential care. We need to better understand the requirements for people with learning ~~difficulties~~disabilities, those with mental health problems or physical health problems.

Key outcomes to address these challenges:

- Maximise the impact of the Council's investment in affordable housing by optimising the use of traditional, off-site and modular construction options on future development sites.
- Continue to deliver new Council ~~Housing~~housing to help meet social housing need.
- Develop energy efficient homes for social and affordable housing to reduce fuel poverty.
- Lobby central Government on future policy development for the affordable housing sector to maximise resources available for future investment, including the retention of a negotiated quota on new developments through s106 of the Planning Act as this is the principal contributor to new stock.

Contact

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Appendix 2: Housing Strategy Action Plan

Opportunity	Key Outcomes	Themes	Action Period	Activity Focus
How might we increase the number of houses that are brought to market across South Kesteven?	<ul style="list-style-type: none"> The development of high quality, sustainable, housing that reflects the character and increases the desirability of South Kesteven as a place to live. Support the up-front delivery of essential infrastructure on key development sites. Support Government initiatives to encourage developers to bring forward housing delivery housebuilders who are not delivering fast enough. Ensure that planning processes encourage land owners and developers to bring potential housing sites to the market with the required infrastructure in place. Making the best use of existing property that can quickly be converted to housing. A skilled workforce that can meet the housing delivery needs of the district. Disaggregation of large housing sites to enable smaller developers to deliver at pace. The availability of a sustainable rental market that is a genuine, affordable, alternative to home ownership. The need for a tailored approach to housing delivery; Bourne, Market Deeping, Stamford, Grantham and the rural areas have very different markets and these may required different approaches to housing delivery. 	Making best use of existing land	Medium/Long	<ul style="list-style-type: none"> Acquire land for housing delivery. Ensure adequate supply of housing is brought forward on land owned by the Council.
		Developers' financial considerations	Short	<ul style="list-style-type: none"> Understand what <u>Agreeing with</u> developers need, what needs to build <u>be built</u> in order for a development to be viable.
		Making best use of existing building stock	Medium/Long	<ul style="list-style-type: none"> Maximise opportunities for publicly-owned property to be utilised. Utilise buildings (e.g. shops and upper floors) in the town centre for conversion.
		Infrastructure	Medium	<ul style="list-style-type: none"> Build housing that has access to necessary community and transport infrastructure. Consider role for the Council as a funder/investor in housing developments.
		Affordability <u>Rural affordability</u>	Medium	<ul style="list-style-type: none"> Focus on <u>Encourage</u> the delivery of affordable housing in rural areas and near to services.
		SKDC support for house-building	ongoing <u>Ongoing</u>	<ul style="list-style-type: none"> SKDC to continue to build (more) Council Houses and optimise the use of Council owned assets, <u>including targetted remodelling</u>. Consider – and then market - the quality of life available to current and future residents of South Kesteven, including work, play, and home. Explore use of pre-fab and modular build methods, and the Council's role in enabling this approach.
		High quality design: internal and external	Short/Medium	<ul style="list-style-type: none"> <u>Follow-through the policy to produce a Design Supplementaty Planning Document</u> Promote the new Garden Village as an exemplar for architectural and urban design. Encourage community build schemes.
		Making it happen: planning	Medium	<ul style="list-style-type: none"> Develop an 'idea to implementation' <u>a new</u> approach for planning applicants to ensure the greatest possible certainty from the earliest possible opportunity on the approvability and deliverability of their scheme, including input from statutory consultees to agreed timescales and from officers who are empowered to make decisions. Provide additional briefings, and training, for Development Management Committee Members so that they are better informed in their decision-making.
		Partnerships and engagement	Short/Medium	<ul style="list-style-type: none"> Explore potential benefits of joint ventures with local builders, developers and investors to deliver more housing more quickly. Agree a framework of key partners and stakeholders who are tasked with speeding up delivery .
		Construction skills	Short/Medium	<ul style="list-style-type: none"> SKDC to develop houses and housing sites through its own company. Work with colleges so that young people learn the skills necessary for building new housing.
		Sustainability	Medium	<ul style="list-style-type: none"> Consider <u>Follow-through</u> the relaxation of planning policies to encourage development in villages, <u>as proposed in the new draft Local Plan</u>
		Lobbying	ongoing	<ul style="list-style-type: none"> Lobby Government <u>Support the Government's aspiration – as expressed in the Housing White Paper -</u> to target builders to deliver within a certain time-frame, or land will revert to old use.

Opportunity	Key Outcomes	Themes	Action Period	Activity Focus
How might we ensure that privately rented homes meet the required standards so that our residents can enjoy safe and healthy homes?	<ul style="list-style-type: none"> Fully-informed landlords and letting agents who know what they have to do to improve the quality of their properties. Improvement in the Private Rented Sector (PRS) market, but without creating so much pressure that tenants are forced out of the homes they occupy. Protection for tenants who often have no choice but to settle for lower quality rental property. Develop new ways of engaging with the sector to enable access for people on low income, on benefits or who are under 35 years old. 	Letting Agents	Short	<ul style="list-style-type: none"> Explore opportunities for a council run “local lettings agency” providing a letting service supporting local landlords.
		Incentives and support for good landlords	Short/Medium	<ul style="list-style-type: none"> Increase engagement with landlords and letting agents Expand the Private Rented Sector property leasing scheme, providing a guaranteed income (to landlords) and quality accommodation (for residents).
		Standards and enforcement	Short/Medium	<ul style="list-style-type: none"> Review of housing enforcement policy to reflect new civil penalties legislation and ensure we can tackle “rogue landlords” effectively.
		SKDC increasing rented sector stock	Medium	<ul style="list-style-type: none"> Continue to build council housing to relieve pressure on the private rented sector. <u>Council to receive s106 Affordable Homes.</u>
		Lobbying	ongoing	<ul style="list-style-type: none"> Lobby Government to introduce a cap on rent fees/ increases. Lobby Government to restrict the amount of deposit payable.

Opportunity	Key Outcomes	Themes	Action Period	Activity Focus
How might we ensure that a range of housing options are available to support people to live independently	<ul style="list-style-type: none"> Enable households access to accommodation in properties that meet their needs, and to facilitate them moving to more suitable properties where required. To enable people to live independently, but with appropriate support that can be called-on when required. Encourage an appropriate provision of high-quality, skilled, carers who are able to support independent living. Encourage <u>Work with the County Council to encourage</u> the provision of affordable places in care homes. Utilise our strategic partnerships to clarify the range of affordable housing required across the district to meet the needs of people with learning disabilities, mental health problems and physical disabilities. 	Specialist Housing	Short	<ul style="list-style-type: none"> Explore options for providing sheltered/extra care housing in areas of identified need and in close proximity to local services. Develop incentives for elderly people to move to smaller housing or ‘house share’ to free-up larger housing.
		Community Infrastructure	Short	<ul style="list-style-type: none"> Consider the use of the Council’s – and other public sector – assets to further support day care for the elderly.
		Creating quality places and homes	Short/Medium	<ul style="list-style-type: none"> Encourage the creating of high quality accommodation for the elderly which will not be seen as a step-down from their large family home.
		Planning support for annexes	Short/Medium	<ul style="list-style-type: none"> Consider the benefits of developing a local policy around the construction of annexes to family homes, ensure that their annex purpose is protected.
		Skills	Short/Medium	<ul style="list-style-type: none"> Support training opportunities for carers.
		Partnerships	Medium	<ul style="list-style-type: none"> Work with other statutory partnerships to clarify the need for a range of affordable housing to be provided across the district to meet needs for people with learning disabilities, mental health issues and for those with physical disabilities.
		Incentives	Medium	<ul style="list-style-type: none"> Consider incentives to encourage residents to move to homes that better suit their ongoing needs.
		Lobbying	ongoing	<ul style="list-style-type: none"> Lobby Government to ensure a sustainable future for sheltered and supported housing.

Opportunity	Key Outcomes	Themes	Action Period	Activity Focus
<p>How might we increase the number of housing options available to those residents in SK who are on lower incomes/benefits and those who need singles accommodation?</p> <p>(Meeting the needs of our residents)</p>	<ul style="list-style-type: none"> Maximise the impact of the Council's investment in affordable housing by optimising the use of traditional, off-site and modular construction options on future development sites. Continue to deliver new Council Housing to help meet social housing need. Develop energy efficient homes for social and affordable housing to reduce fuel poverty. Lobby central Government on future policy development for the affordable housing sector to maximise resources available for future investment. 	Best use of existing buildings	Short	<ul style="list-style-type: none"> Explore opportunities to develop new temporary accommodation.
		Right home, right size, right price	Short	<ul style="list-style-type: none"> Consider making small plots of SKDC <u>– or developers' –</u> land available to smaller builders/self-builders. Ensure access is available to appropriate data to inform decisions on need and the types of units required
		Affordable housing	Short/Medium	<ul style="list-style-type: none"> Work with other local authorities to ensure that residents can rent or buy affordable housing.
		Specialist housing	Short/Medium	<ul style="list-style-type: none"> Consider the development of a design standard for communal housing.
		Housing options	Short/Medium	<ul style="list-style-type: none"> Consider the development of bed-sit accommodation particularly for the under 35's.
		Creating quality places	Short/Medium	<ul style="list-style-type: none"> Encourage high streets to be interspersed with residential units.
		Partnerships	Short	<ul style="list-style-type: none"> Work with Housing Associations to develop schemes to address overcrowding and under-occupancy. Consider alternative approaches to the delivery of affordable housing in order to ensure that developments can be brought forward.
		Incentives	Medium	<ul style="list-style-type: none"> Incentivise private landlords to encourage provision of housing to meet identified housing need.
		Helping and encouraging people to remain in their homes	Short	<ul style="list-style-type: none"> Develop schemes which enable tenants to sustain their tenancies.
		Lobbying	ongoing	<ul style="list-style-type: none"> <u>Lobby Government to remove the 'right to buy'.Lobby Government on future policy development for the affordable housing sector to maximise resources available for future investment, including the retention of a negotiated quota on new developments through s106* of the Planning Act as this is the principal contributor to new stock.</u> <u>* Section 106 agreements are legal agreements between Local Authorities and developers. They are linked to planning permissions and are designed to mitigate the impact of developments.</u>



URGENT CABINET MEMBER DECISION

Decision:

That approval is granted for the Council to recommit to the Lincolnshire Armed Forces Community Covenant.

(1) Details of Decision

For the Council to recommit to the Lincolnshire Armed Forces Community Covenant.

(2) Considerations/Evidence

The option of not recommitting have been considered however SKDC are open to challenge and possible damage to the Council's reputation if we do not continue to work in partnership with Lincolnshire Armed Forces Community Covenant partners.

(3) Reasons for Decision:

The Armed Forces Covenant (AFCC) is a voluntary statement of mutual support between a civilian community and its local Armed Forces community. The Covenant outlines the moral obligations between the nation, the Government and the Armed Forces at a local level.

The Lincolnshire Armed Forces Covenant (LAFCC) was launched on Wednesday 20 June 2012. Lincolnshire County Council who co-ordinate local action have suggested that the time is right to refresh that commitment of support.

A wide range of organisations work in partnership to meet the aims of the Covenant by discussing and developing projects to ensure successful delivery of the Lincolnshire Armed Forces Covenant Measures and Action Plan.

To celebrate 5 years of successful partnership working within the district the original signatories of the LAFCC will meet at Royal Air Force College (RAFC) Cranwell at 2.30pm on September 20th 2017 to reaffirm and renew the agreement.

A report was considered by Members of the Communities and Wellbeing Overview and Scrutiny Committee on the 5th September who recommended to the portfolio holder that the Council recommit to the Lincolnshire Armed Forces Community Covenant.

Conflicts of Interest

(Any conflict of interest declared by any other Cabinet Member consulted in relation to the decision to be recorded).

NONE

Dispensations

(Any dispensation granted by the Monitoring Officer in respect of any declared conflict of interest to be noted).

NONE

Decision taken by:

Name: Councillor Nick Neilson
Cabinet Member for Communities and Wellbeing

Date of Decision: 18 September 2017

Date of Publication of Record of Decision: 18 September 2017

Date decision effective: 18 September 2017

Due to the timescales involved the decision has been made under urgency provisions and is therefore not subject to the call-in procedure.



CABINET MEMBER DECISION

Decision:

That approval is granted to extend the criteria for the temporary Discretionary Rates Relief Scheme to include high street stores and other local businesses and increase the level of relief paid from 40% up to 50% of the increase in business rates payable between the two years after all eligible reliefs have been granted.

(1) Details of Decision

To seek approval to extend the criteria for the temporary Discretionary Rates Relief Scheme.

(2) Considerations/Evidence

The Government has made available £300m of extra funding over 4 years for local authorities to provide discretionary relief to predominantly small, medium and independent businesses facing the steepest increase in their bills as a result of the recent revaluation of all commercial properties. The Chancellor stated that individual authorities were in the best position to determine how these extra monies should be targeted and administered in order to support those businesses with the greatest need.

(3) Reasons for Decision:

South Kesteven's allocation of funding has been confirmed as £568k spread over 4 years as set out below.

Amount of discretionary pot awarded (£000s)				
2017-18	2018-19	2019-20	2020-21	Total
332	161	66	9	568

The Council has been given the responsibility to design its own discretionary business rates relief scheme having regard to the Government's principles and assumptions. This was the subject of a discussion at Cabinet on 13th July 2017 where Members agreed the principles and eligibility criteria. It was explained that take up was likely to be lower than expected due to the availability of other grants for local businesses, i.e. small business rate support scheme, transitional relief and temporary relief for pubs. Also, in common with other schemes being developed by authorities, a list of exclusions was proposed and an urgent key decision was subsequently made in order that the scheme could be implemented. Following the

implementation, it was identified that the eligibility criteria should be reviewed in order to ensure that the full amount of the grant is paid to local businesses and the following changes are recommended:

- The amount paid will be up to 50% (previously up to 40%) of the increase in business rates payable between the two years after all eligible reliefs have been granted;
- Eligibility will be extended to include all businesses, e.g. high street stores and franchises, financial services and professional services, etc; and
- As before the only exclusions will be NHS, local authorities and all other public bodies. Also excluded are businesses that were not located in the district prior to 31st March 2017 and premises with a rateable value in excess of £100,000 and rate rises below 3%.

Based on current modelling of the rating list, it is anticipated that up to £325,000 of the current year's award will be allocated to local businesses.

Conflicts of Interest

(Any conflict of interest declared by any other Cabinet Member consulted in relation to the decision to be recorded).

NONE

Dispensations

(Any dispensation granted by the Monitoring Officer in respect of any declared conflict of interest to be noted).

NONE

Decision taken by:

Name: Councillor Nick Robins
Cabinet Member for Retail & Visitor Economy

Date of Decision: 28 September 2017

Date of Publication of Record of Decision: 29 September 2017

Date decision effective (i.e. 5 days after the date of publication of record of decision unless subject to call-in by the Chairman of an Overview and Scrutiny Committee or any 5 members of the Council from any political groups):

07 October 2017



CABINET MEMBER DECISION

Decision:

That approval is granted to make the required modification to the Colsterworth and District Neighbourhood Plan.

(1) Details of Decision

To consider whether a minor amendment to the Colsterworth and District Neighbourhood Plan should be made, following its adoption on 5 September 2017.

(2) Considerations/Evidence

A local planning authority must, by virtue of section 38A (4) (a) of the Planning and Compulsory Purchase Act 2004, make a neighbourhood development plan to which the proposal relates if in each applicable referendum more than half of those voting have voted in favour of the plan unless, the authority consider that the making of the plan would breach, or would otherwise be incompatible with, any EU obligations or any of the Convention rights within the meaning of the Human Rights Act. There is no apparent incompatibility with EU or any other Convention rights.

(3) Reasons for Decision:

The Colsterworth and District Neighbourhood Plan became part of the Development Plan for South Kesteven on 5 September 2017, following a successful examination and Referendum.

Following this, the Parish Council raised concern that there was a “typo” on the front cover – one of the pictures was incorrectly labelled “North”, rather than “North Witham”.

Whilst the document has been formally made part of the Development Plan, the Town and Country Planning Act does permit minor changes to be made (under Section 61M(4)), which states:

“A local planning authority may at any time by order modify a neighbourhood development order that they have made for the purpose of correcting errors.”

The typo identified by the Parish Council is an error and can therefore be corrected in accordance with the legislation.

Conflicts of Interest

(Any conflict of interest declared by any other Cabinet Member consulted in relation to the decision to be recorded).

NONE

Dispensations

(Any dispensation granted by the Monitoring Officer in respect of any declared conflict of interest to be noted).

NONE

Decision taken by:

Name: Councillor Mike King
Cabinet Member for Economy and Development

Date of Decision: 02 October 2017

Date of Publication of Record of Decision: 03 October 2017

Date decision effective (i.e. 5 days after the date of publication of record of decision unless subject to call-in by the Chairman of an Overview and Scrutiny Committee or any 5 members of the Council from any political groups):

11 October 2017



CABINET MEMBER DECISION

Decision:

That authorisation is given for the Strategic Director, Development and Growth to enter into a lease of the Second Floor, The Maltings, Wharf Road, Grantham, NG31 6BH on the terms set out in report PD0059 for a maximum of 2 years with the ability to terminate the lease on the first anniversary of the term upon giving 3 months written notice.

(1) Details of Decision

To seek authorisation for the Strategic Director, Development and Growth to enter into a lease of the second floor, The Maltings, Wharf Road, Grantham, NG31 6BH on the terms set out in report number PD059 for a maximum of 2 years with the ability to terminate the lease on the first anniversary of the term upon giving 3 months written notice.

(2) Considerations/Evidence

As part of the Council's overall plans for the St Peter's Hill redevelopment Project in Grantham, the Council needs to secure suitable and well located office space to decant staff from parts of the existing office accommodation to allow for remodeling and refurbishment. The Maltings, Wharf Road, Grantham has been identified for this purpose. It is located close to existing staff parking on the adjacent Morrisons site and is close to the bus and train stations.

The building will also be used to establish, support and promote the identity of the Invest SK team as part of the Council's focus on economic development and regeneration priorities.

(3) Reasons for Decision:

The Leader of the Council recognised in his speech to Council on 20th April 2017 that if we truly want to retain and recruit the very best staff then we need to ensure we provide them with the environment and the equipment to support them in their roles.

The Leader also confirmed to Full Council his intention that the Council offices would remain in the centre of Grantham supporting the local economy, and it was requested that an "urgent review of the type of IT support provided" was undertaken, and that plans for a "major overhaul of the Council building" were started.

A report will be taken to Cabinet on 12 October 2017 setting out the principles for the remodelling of the St Peter's Hill Council Offices as part of the overall St Peter's Hill Redevelopment Programme.

On 9th October 2017 Councilor Matthew Lee, Leader of the Council, is holding an economic summit at which the Council will outline the scope and scale of its ambition for the district. The Invest SK team and brand will be a key part of delivering this ambition.

Securing a short term lease of these premises will therefore support the Council in the aims set out in 3.1 to 3.4 above.

The terms of the lease are:

Lease: A new Internal Repairing & Insuring lease

Term: 2 Years

Rent: £37,325 per annum (£9.50 per ft²)

Option To Break: The tenant may determine the lease on the first anniversary of the term upon giving 3 months written notice.

User: Offices

Service Charges: The tenant will pay, as rent, a fair and reasonable proportion of the costs incurred by the Landlord in providing common services. These are 26.755% of the costs incurred which amounted to £1,578.86 for year to 30.06.17. No extraordinary expenses are planned or anticipated for the current year.

Commencement Date: As soon as practically possible

Insurance Premium: The apportioned annual premium attributable to this suite for the current year is £513.22 (annual renewal each January).

Costs: Each party to be responsible for their own legal and other professional costs incurred in creating the lease.

VAT: All sums quotes are exclusive of VAT which is payable at the prevailing rate.

An existing revenue budget allocated within the current financial year has been identified to cover costs associated with leasing these premises. This includes set up costs of establishing IT and telephony connectivity and fixtures of approximately £20k.

Conflicts of Interest

(Any conflict of interest declared by any other Cabinet Member consulted in relation to the decision to be recorded).

NONE

Dispensations

(Any dispensation granted by the Monitoring Officer in respect of any declared conflict of interest to be noted).

NONE

Decision taken by:

Name: Councillor Kelham Cooke
Deputy Leader also Cabinet Member for Business Transformation and Commissioning

Date of Decision: 09 October 2017

Date of Publication of Record of Decision: 10 October 2017

Date decision effective (i.e. 5 days after the date of publication of record of decision unless subject to call-in by the Chairman of an Overview and Scrutiny Committee or any 5 members of the Council from any political groups):

18 October 2017



Cabinet

Report of: Councillor Nick Neilson
Cabinet Member for Communities

Report to:	Cabinet
Date:	9th November 2017
Subject:	Community Fund Grant Scheme (CFM441)

Decision Proposal:	Key Decision
Relevant Cabinet Member:	Councillor Nick Neilson , Cabinet Member for Communities
Report author:	Richard Wyles, Corporate Finance Manager 16 th October 2017 r.wyles@southkesteven.gov.uk
Reviewed by:	Daren Turner, Director 17 th October 2017 d.turner@southkesteven.gov.uk
Signed off by:	Daren Turner, Director 17 th October 2017 d.turner@southkesteven.gov.uk
Approved for publication	Councillor Nick Neilson 24 th October 2017

SUMMARY

At the Communities and Well Being OSC meeting held on 5th September 2017, Members looked at the operation of the Community Fund Grant Scheme since it was established in 2015 and a number of recommendations were agreed, including the establishment of a Working Group to look in more detail at some of the issues raised.

At the next meeting of the Committee scheduled for 7th November 2017, Members will consider the outcomes from the Working Group which met on 29th September 2017 and will make recommendations on proposed changes to the scheme which are set out in this report. However, as this report has been prepared before Members of the Committee meet on 7th November a verbal update will be provided to Cabinet on the day.

RECOMMENDATION

Cabinet is asked to note the findings of the Communities & Well Being OSC held on 7th November, together with a verbal update and approve:

1. The introduction of a fast tracked application process for grant applications up to £2,000.
2. The continuation of the role of the Lincolnshire Community Volunteer Service (LCVS) to continue to administer part of the scheme on the Council's behalf subject to an annual Service Level Agreement and for the Member Panel to continue to make awards on behalf of the Council.
3. Agreement that the composition of the Member Panel for considering applications is Chair (or Vice Chair) of the five Overview and Scrutiny Committees.
4. That the scheme criteria for assessing all grant applications is still fit for purpose
5. Agreement that further funding for the community fund for 2018/19 be considered as part of the annual budget framework process, having regard to the projected balance of the fund as at 31st March 2018.
6. A one year pilot scheme of devolved budgets for individual councillors (the Councillor Community Fund Scheme) be set up from April 2018 with a review after six months and that a separate amount of £56,000 be included as part of the 2018/19 budget proposals.

1. BACKGROUND TO REPORT

- 1.1 The Community Fund grant scheme was set up as part of the Council's 2015/16 budget framework in order to offer financial assistance to local projects and events that deliver wide benefit to residents of South Kesteven, thereby contributing to the sustainability, vitality and well being of communities. The fund was originally established utilising funding of £300k from the New Homes Bonus reserve. The Fund was replenished to £150K for the 2017/18 financial year.
- 1.2 In July 2015, Cabinet approved the application criteria and the composition of the determining body (Panel of members from the Chairs/Vice Chairs of PDGs) used for considering and approving/refusing financial awards arising from bids from various community groups and organisations wishing to access funding from the Fund. This was based on best practice, i.e. where community funds have been successful elsewhere. The original criteria (as amended) is set out in Appendix 1. This covers eligible bodies, the types of projects supported, the basis on which applications are assessed and the application and award process, etc. It was envisaged that the award would be used as an enabler to access other sources of funding.
- 1.3 The Fund is currently administered by the Lincolnshire Community and Voluntary Service (LCVS) which helps to ensure the money gets to where it is needed. Each year a funding agreement is established based on the work activities the LCVS undertakes to administer the scheme. The CVS make recommendations to the Panel as to whether or not applications should be granted based on the agreed criteria.

- 1.4 On 5th September 2017, the Communities and Well Being OSC received a report which looked at the progress and performance of the Scheme, having regard to the original objectives set out in 2015 and noted that, to date over 70 community organisations had benefited with c£229k grant monies already approved.
- 1.5 Whilst the Committee agreed the recommendations put forward, it requested a Working Group of Members be set up to look more closely at some of the matters featured in the report and other related issues. The Working Group met on 29th September 2017 and their findings are set out below:

Devolved Budgets for Individual Councillors

- 1.6 The Working Group considered a one year pilot scheme (with a review after 6 months) whereby devolved budgets would be used in a similar way to the main fund but on a smaller scale. This would enable every district councillor to respond to local needs by recommending the allocation of small one-off amounts of money to support projects or activities that benefit the communities they represent. The Working Group felt that a separate proportion of the Community Fund or a separate fund – say £56,000 could be set aside for this purpose and divided equally between all 56 Councillors, i.e. budgets of £1000 each to use on supporting initiatives within their wards. The level of funding would be reviewed as part of the pilot scheme. Councillors would be encouraged to avoid grant awards of less than £100 (in order to avoid undue administrative costs) although no restriction would be put on individual award amounts. Suggested names for this initiative that are put forward are:
- Ward member grants scheme
 - Members ward fund scheme
 - Councillor Community Grant scheme
 - Councillor Grant scheme
 - Local grant scheme
- 1.7 Further details on how the scheme would work in practice, including the application and approval process are set out in Part A of the attached Appendix 2.

Revised Process to Fast Track Grant Applications Up To £2,000

- 1.8 Currently, grants can be for as little as £200 for community events and up to a maximum of £10,000 for community projects and the application process is exactly the same regardless of the amount requested. As a result, the Working Group was asked to look in more detail at the application process for smaller schemes (up to £2,000) to see whether it could be streamlined to enable the funds to be more readily available. Accordingly, this has been completed and a revised application form and scheme criteria are put forward in Part B of the attached Appendix 2. It is suggested that the process be reviewed after six months.

Other Issues Considered by the Working Group

- 1.9 The Working Group examined the criteria for assessing applications as set out in Appendix 1 and considered it to be fit for purpose. It was acknowledged that the application process for both devolved councillor budgets and fast track applications were consistent with that for larger grants from the main fund.
- 1.10 The Working Group also considered the ongoing role of the Lincolnshire Community and Voluntary Service and has recommended that it continues to administer part of the scheme on the Council's behalf subject to an annual Service Level Agreement and for the Panel to continue to make awards on behalf of the Council.
- 1.11 It was agreed that any decision about topping up the fund from April 2018 should be addressed as part of the annual budget framework process but this would have regard to the projected balance of the fund as at 31st March 2018.
- 1.12 Finally, the Working Group acknowledged that it was appropriate for the Communities and Wellbeing Overview and Scrutiny Committee to make recommendations to Cabinet on any significant changes to the future management, administration and funding of the scheme, i.e. as highlighted in this report.

2. OTHER OPTIONS CONSIDERED

- 2.1 N/A

3. RESOURCE IMPLICATIONS

- 3.1 Approved grant applications are funded by the Community Fund. Additional funding will be required if the scheme is to continue into 2018/19. This will require consideration alongside other bid proposals and presented to Council at the budget meeting on 1st March 2018.

4. RISK AND MITIGATION

- 4.1 Risk has been considered as part of this report and so long as the cost of the scheme is contained within the sum allocated, there are no specific high risks.

5. ISSUES ARISING FROM IMPACT ANALYSIS (EQUALITY, SAFEGUARDING etc.)

- 5.1 N/A

6. CRIME AND DISORDER IMPLICATIONS

- 6.1 None

7. COMMENTS OF FINANCIAL SERVICES

7.1 These are contained in the report.

8. COMMENTS OF LEGAL AND DEMOCRATIC SERVICES

8.1 The criteria set must be reasonable and suitable to applications at all levels of funding, capable of being applied to deliver a consistent approach to determination. The panel which will determine applications must operate within appropriate terms of reference and have the authority to make decisions on behalf of the Council. That Panel should be provided with suitable administrative support and advice.

9. COMMENTS OF OTHER RELEVANT SERVICES

9.1 None

10. APPENDICES

10.1 Appendix 1 – Criteria for Assessment & Funding

10.2 Appendix 2 – Outcomes from the Community Fund Working Group meeting held on 29th September 2017

11. BACKGROUND PAPERS

11.1 Report to Communities & Well Being OSC 5th September 2017

1. Introduction

- 1.1 The Community Fund has been established to support and develop community initiatives within South Kesteven District.
- 1.2 Grants are available for groups and organisations who are involved in community projects and events that benefit the residents of communities in the district. Groups and organisations must demonstrate how their project or event will deliver wide benefit, contributing to the sustainability, vitality and well-being of South Kesteven's communities and the Council's priorities.
- 1.3 Applications for grants up to £2,000 can be made at any time and will be fast tracked through the process. A separate application form is available for this purpose.

2. How much money is available and what can be funded?

- 2.1 A total of £300,000 was made available in 2015/16 and a further £40,000 was added to the Fund in 2016/17. As at July 2017, the amount uncommitted is £111,000 and it is intended that the full amount will be awarded. The issue of further funding will be considered as part of the annual budget process.
- 2.2 Going forward, there will be approximately three tranches per annum and funds will be apportioned accordingly. However, if strong applications should come forward in the first tranche, they may be supported even if the total amount awarded exceeds one third of the total available funds.
- 2.3 Up to a maximum of 80% of total costs can be applied for. The minimum contribution (match funding) required from applicants is 20%. This can be made up of own cash contribution, donations, grants and sponsorship and a maximum of 10% in-kind volunteer time or materials.
- 2.5 The value of volunteer in-kind time is calculated at the average hourly pay rate for South Kesteven (for 2016/17 this is £9.90).
- 2.6 The kinds of projects and events that can be supported by the Community Fund are shown in the table at the top of page 2.
- 2.7 Please note that the average level of grant is likely to be in the region of £3,000 and up to a maximum of £10,000. Awards towards the maximum figures will require significant levels of match funding and demonstrable community need and support.

Project Categories

Project Category	Types of Projects Supported	Minimum/Maximum Grant Levels
Community Amenities	Outdoor facilities such as Multi use game areas (MUGAs), shelters, recreation areas, heritage, footpaths etc.	Min = £500 Max = £10,000
Community Buildings	Repairs, maintenance and alterations to village halls and other public buildings, contributions to new build community buildings and the purchase of equipment to be used in community buildings.	Min = £500 Max = £10,000
Community Enterprise	Projects which generate an ongoing revenue stream for a community such as community owned pubs, shops, cafes, and community tourism initiatives.	Min = £500 Max = £10,000
Community Events	Community celebrations, sports events, street festivals, arts and cultural events.	Min = £200 Max = £5,000
Supporting Communities	Supporting the work of organisations who support communities, including social enterprises, support organisations and Community Led Planning groups (to support the delivery of projects in their Community Led Plans).	Min = £500 Max = £10,000

3. What will not be funded?

3.1 The Community Fund will not support:

- i. Projects or events which are for private gain.
- ii. Events primarily intended to pass on surplus income to other organisations, eg charity concerts.
- iii. Revenue costs (salaries, project officer or other employee costs, rents, statutory training etc)
- iv. Projects or events which already receive South Kesteven District Council funding.
- v. Regular events (unless they have a significantly new and different aspect).
- vi. General appeals or sponsorship.
- vii. Activities of a mainly political or religious nature, including improvements to the fabric of church buildings (non-religious community activities held within a place of worship may be eligible).
- viii. Contingency funds, income deficits, bridging loans or security against a loan.

4. Criteria for funding

- 4.1 We welcome applications from community and voluntary groups, parish and town councils, charities and social enterprises to deliver projects that benefit communities in the South Kesteven District. We do not accept applications from individuals.
- 4.2 Applications will be assessed on their ability to:
- deliver wide community benefit, contributing to the sustainability, vitality and well-being of communities, such as encouraging volunteering and participation;
 - contribute to locally identified community needs and priorities;
 - contribute to South Kesteven District Council's Corporate Priorities;
 - demonstrate value for money (through obtaining written quotes and estimates);
 - measure the success of a project or event
 - demonstrate equality of opportunity and the elimination of discrimination.
- 4.3 To apply to the Community Fund your group or organisation must have:
- a written governing document or constitution
 - a bank or building society account in the name of your group or organisation with at least two unrelated signatories
- 4.4 You are required to provide all necessary documentation to support your application, including copies of written quotes and estimates for all items of expenditure of £50 and over. The written quotes and estimates must display the relevant company names and addresses and be less than six months old.
- 4.5 Grants will not be awarded retrospectively (eg for work or equipment already purchased or events which have already taken place).
- 4.6 We will not make more than one award per annum to the same organisation or group unless there are clearly identifiable different projects or events and the first project is completed and a Project Completion Form returned.
- 4.7 It is unlikely that the Community Fund will be able to provide grants for all potentially eligible applications. Therefore, we reserve the right to prioritise applications to achieve best value for money. We also reserve the right to decline applications which do not meet the stated criteria.

5. How your application is dealt with – Please note that there is a separate application form and process for grants up to £2,000 – please ask for details. These applications will be ‘fast tracked’.

- 5.1 On receipt of your application we will make an initial assessment to check that your group or organisation and project or event are eligible and that all required supporting documentation has been provided. We may contact you to obtain missing information, documentation or for clarification. However, the emphasis is on the applying organisation to ensure the application is complete and accurate.
- 5.2 We will aim to acknowledge receipt of your application within five working days of receiving it. This will be by email where you have provided an email address but otherwise will be by letter.
- 5.3 Eligible applications which are accompanied by the required supporting documentation will be forwarded to the determination Panel for consideration. The Panel is a forum capable of decision making for community bids and will influence the delivery of community based projects and initiatives that contribute to the sustainability, vitality and well-being of communities in the South Kesteven district.
- 5.4 The Panel will meet for up to three times per annum. Applications will be presented to the Panel in summary format although the full applications will also be made available to them.
- 5.5 Applicants will be informed (usually by email) whether the Panel has recommended their project or event to receive a grant, within five working days of the meeting taking place.
- 5.6 The Panel may request that you attend a short interview with the Panel members to answer queries and provide greater detail of your project or event or they may ask for a site visit where appropriate.
- 5.7 South Kesteven District Council's determination Panel's decision is final and cannot be changed (no appeals or discussions will be entered into).
- 5.8 Payment will be made in two stages, with 75% of the grant being paid prior to commencement of the project or event and 25% on completion.
- 5.9 A Project Completion Form will be completed and submitted by the applicant on completion of their project or event in order to draw down the final 25% payment.

6. Conditions of funding

- 6.1 Grants must be spent within two years of an award being made (from the date on the grant offer letter).
- 6.2 Grants awarded must be spent on the purpose stated in the application. If for any reason your circumstances change or you wish to vary the way in which you spend your grant, you are required to contact us to request written permission to do so.

- 6.3 In the event of a group or organisation ceasing to operate or failing to undertake or complete the project or event for which the grant was offered, South Kesteven District Council reserves the right to withhold payment, to reduce an award or seek its recovery.
- 6.4 Financial support provided by South Kesteven District Council should be acknowledged on all relevant printed publicity, on websites and in information given to the press. Relevant guidance will be provided to applicants at the time of a grant offer being made.
- 6.5 Your group or organisation must ensure that its project or event operates within the requirements of all legislation.
- 6.6 Your group or organisation should ensure equality of opportunity and the elimination of discrimination in the delivery of its project or event.
- 6.7 You will be required to inform the Council when your project or event has been completed and to submit a Project Completion Form within three months of completion (we will provide you with a template). You will also need to provide relevant invoices and a bank statement showing payments made. Groups or organisations who do not complete and return a satisfactory Project Completion Form may be required to return their funding and will not be considered for future funding.

7. Application timetable

- 7.1 Applications will be assessed approximately three times a year as shown in the timetable below:

Application deadline	Panel to assess applications	Decision date	Grants awarded
TBC	TBC	TBC	TBC
TBC	TBC	TBC	TBC
TBC	TBC	TBC	TBC

Contact us

South Kesteven District Council
Council Offices
St Peters Hill
Grantham
NG31 6PZ

Tel: 01476 406080 **Email:** communityfund@southkesteven.gov.uk

September 2017

OUTCOMES FROM COMMUNITY FUND WORKING GROUP MEETING 29/09/17

Amendments have been made to the proposed scheme for devolved budgets for Councillors and the Community Fund Fast Track Application Form and Process. These are set out below:

Part A: Devolved Budgets for Individual Councillors (Councillor Community Fund Scheme)

How the Scheme Would Work?

The scheme is a one year pilot commencing April 2018 and with a review after 6 months.

The budgets would be used in a similar way to the Community Fund but on a smaller scale by allowing every district councillor to respond to local needs by recommending the allocation of small one-off amounts of money to support projects or activities that benefit the communities they represent.

It is agreed by the Working Group that a separate proportion of the Fund of £56,000 be divided equally between all 56 Councillors, i.e. budgets of £1000 each to use on supporting initiatives within their wards. The level of funding could be reviewed following the review of the pilot scheme which will run for a 12 month period from April 2018. Councillors would be encouraged to avoid grant awards of less than £100 although no restriction will be put on individual award amounts.

Applications forms (**see example below**) would be obtained on-line and submitted to the Councillor at any time during the financial year. Members would need to review the application and complete the “decision” section of the form and confirm that the application complies with the Criteria for Community Funding (as amended to take account of devolved budgets). Once the application is completed and processed by Council staff, payment would be made to the relevant organisation. Direct payments would be made by electronic transfer to an approved bank account.

Councillors would be expected to promote the availability of devolved budgets using party literature, surgeries, leaflets, posters, etc and encourage individuals and groups to submit suggestions for proposed projects and needed work.

Suitable promotional literature (such as a A4 poster) will be made available for members to present to the recipient of the successful award.

To ensure transparency, details of proposals, commitments and actual expenditure by each Councillor will be made available on the Council’s website along with the amount of money still available to be spent / committed, etc.

Community Fund – Application for Grant From Your Local Councillor

Application Form – Please Complete and Submit to Your Local Councillor	
Description of Project Brief summary of what the project is and how it will benefit the local community.	
Please give details of your organisation This should include name and contact details including address, email and telephone number plus a brief description of your organisation	
Project/activity start and finish date	
Outcomes of the Project Please provide a brief description of what you hope to achieve e.g. the number of people attending etc	
Total Cost of the Project	
Amount of Grant Required	
Please give details of any match funding available	
Please give Bank Details - Sort Code, Account Number & Account Name	
<p>I declare that the above information is true and complete and that if funding is secured for this project I will:</p> <ul style="list-style-type: none"> a) ensure that any publicity and promotional material produced during the delivery of the project will give full acknowledgement to the funding given by the Council b) if the project is offered a grant, fully comply in utilising the grant within 12 months of the grant being offered. c) Only use the grant for the project/activity set out in this application form d) If requested, within one month will provide the Council with additional evidence of the project (for example copies of quotes and receipts of expenditure) <p>For and on behalf of: (insert name of group/organisation)</p> <p>Signature: _____ Date: _____ Position: _____</p>	
Decision - For Use By Local Councillor	
Amount of funding recommended (£)	
<p>I recommend that Funding is awarded as set out above. I confirm that this recommendation meets the Community Fund criteria. I understand that it is my responsibility to notify the Council's Monitoring Officer of any conflict of interest that relates directly or indirectly, to this application.</p> <p>Councillor: _____ Signature: _____ Date: _____</p>	

Part B: Revised Process to Fast Track Grant Applications Up To £2,000

A revised application form and scheme criteria are set out below: The process will be reviewed after six months.

Supporting projects that deliver community benefit in SKDC

Fast Track Application Form

For Community Projects/Events –

Maximum Grant Funding: £2,000



For office use only	Date received:
	Date acknowledged:
	Reference:

Please ensure you have read and understood the Community Fund Criteria for grants up to £2,000 before completing this form. Important, please note:

- Your group must have its own bank account
- You may be required to provide the Council with additional evidence of the project/event (for example, copies of quotes and receipts of expenditure)
- Grants are paid 75% in advance and 25% on completion

All sections must be completed

If you require help completing this form (especially if you are a small group) or a copy in an alternative format or language, please contact Lincolnshire CVS on Tel: **01205 510888 (select option 4 – Grantham office)** or Email:

skcommunitygrants@Lincolnshirecvs.org.uk

Section 1: Contact Details

Please give details of your organisation

This should include your name and contact details including address, email and telephone number plus a brief description of your organization, including website address (if you have one)

Section 2: Your Project/Event Proposal

Please provide a brief summary of what the project is and how it will benefit the local community or what you hope to achieve. Explain what you will spend the grant on. (The location of your project must be within SKDC district and for the benefit of SKDC)

residents).	
What evidence do you have to show that your project is needed and will contribute to local priorities in your area? For example: Community Led Plans, questionnaires or letters of support.	
Project/activity start and finish date	
If your project requires permissions before it can start, please provide details, e.g. premises, equipment, etc.	

Section 3: - Financing Your Project/Event

What is the total cost of your project (including VAT)?	£
How much funding are you applying for from the SKDC Community Fund? There is a minimum grant of £500 and a maximum grant of £2,000.	£
Please give details of any match funding available	£

Section 4: Declaration

In signing this declaration I agree that:

1. I have full authority on behalf of the group/organisation to make this application.
2. I have read and understood the 'Guide to the Criteria, Application Process and Conditions of Funding' and agree to the conditions of funding.
3. The information contained in this application is correct at the time of submission
4. If a grant is awarded, it will only be used for the purpose as stated in this application
5. I will complete and return a Project Completion Form within three months of completion of our project in order to draw down the final 25% grant payment.

For and on behalf of:

(insert name of group/organisation)

Signature:

Date:

Position:

Section 5: Returning Your Application

Please return your completed form to:

Lincolnshire CVS
c/o South Kesteven District
Council
St Peter's Hill
Grantham
NG31 6PZ

Tel: 01205 510888 (select option 4 – Grantham office)

Email: skcommunitygrants@lincolnshirecvs.org.uk

For Office Use Only:

Application Received	SKDC Community Partnership to assess applications	Decision date (Executive)	Date Grant awarded

SOUTH KESTEVEN DISTRICT COUNCIL COMMUNITY FUND CRITERIA – GRANTS UP TO £2,000 FOR PROJECTS/EVENTS

1. Introduction

- 1.1 The Community Fund has been established to support and develop community initiatives within South Kesteven District.
- 1.2 Grants are available for groups and organisations who are involved in community projects and events that benefit the residents of communities in the district. Groups and organisations must demonstrate how their project or event will deliver wide benefit, contributing to the sustainability, vitality and well-being of South Kesteven's communities and the Council's priorities.
- 1.3 Applications for grants up to £2,000 can be made at any time and will be fast tracked through the process. The minimum grant is £500

2. What can be funded?

- 2.1 Up to a maximum of 100% of total costs can be applied for although the Council expects organisations to make a contribution from donations, grants, sponsorship or cash.
- 2.3 The kinds of projects and events that can be supported by the Community Fund are shown below:

Project Category	Types of Projects Supported
Community Amenities	Outdoor facilities such as Multi use game areas (MUGAs), shelters, recreation areas, heritage, footpaths etc.
Community Buildings	Repairs, maintenance and alterations to village halls and other public buildings, contributions to new build community buildings and the purchase of equipment to be used in community buildings.
Community Enterprise	Projects which generate an ongoing revenue stream for a community such as community owned pubs, shops, cafes, and community tourism initiatives.
Community Events	Community celebrations, sports events, street festivals, arts and cultural events.
Supporting Communities	Supporting the work of organisations who support communities, including social enterprises, support organisations and Community Led Planning groups (to support the delivery of projects in their Community Led Plans).

3. What will not be funded?

3.1 The Community Fund will not support:

- Projects or events which are for private gain.
- Events primarily intended to pass on surplus income to other organisations, eg charity concerts.
- Revenue costs (salaries, project officer or other employee costs, rents, statutory training etc)
- Projects or events which already receive South Kesteven District Council funding.
- Regular events (unless they have a significantly new and different aspect).
- General appeals or sponsorship.
- Activities of a mainly political or religious nature, including improvements to the fabric of church buildings (non-religious community activities held within a place of worship may be eligible).
- Contingency funds, income deficits, bridging loans or security against a loan.

4. Criteria for funding

4.1 We welcome applications from community and voluntary groups, parish and town councils, charities and social enterprises to deliver projects that benefit communities in the South Kesteven District. We do not accept applications from individuals.

4.2 Applications will be assessed on their ability to:

- ☐ deliver community benefit, contributing to the sustainability, vitality and well-being of communities, such as encouraging volunteering and participation;
- ☐ contribute to locally identified community needs and priorities;
- ☐ contribute to South Kesteven District Council's Corporate Priorities;
- ☐ measure the success of a project or event
- ☐ demonstrate equality of opportunity and the elimination of discrimination.

4.3 To apply to the Community Fund your group or organisation must have:

- a bank or building society account in the name of your group or organisation and ideally:
- a written governing document or constitution

4.4 You may be required to provide documentation to support your application, including copies of written quotes for items of expenditure over £50

4.5 Grants will not be awarded retrospectively (eg for work or equipment already purchased or events which have already taken place).

4.6 We will not make more than one award per annum to the same organisation or group unless there are clearly identifiable different projects or events and the first project is completed and a Project Completion Form returned.

5. How your application is dealt with – the process has been reviewed and all applications for grants up to £2,000 will be 'fast tracked'.

5.1 On receipt of your application we will make an initial assessment to check that your

group or organisation and project or event are eligible and all the requisite information has been provided.

- 5.2 We will aim to acknowledge receipt of your application within five working days of receiving it. This will be by email where you have provided an email address but otherwise will be by letter.
- 5.3 Eligible applications will be forwarded to the determination Panel for consideration. The Panel is a forum capable of decision making for community bids and will influence the delivery of community based projects and initiatives that contribute to the sustainability, vitality and well-being of communities in the South Kesteven district.
- 5.4 Applicants will be informed (usually by email) whether the Panel has recommended their project or event to receive a grant, within five working days of the meeting taking place.
- 5.5 The Panel may request that you attend a short interview with the Panel members to answer queries and provide greater detail of your project or event or they may ask for a site visit where appropriate.
- 5.6 South Kesteven District Council's determination Panel's decision is final and cannot be changed (no appeals or discussions will be entered into).
- 5.7 Payment will be made in two stages, with 75% of the grant being paid prior to commencement of the project or event and 25% on completion.
- 5.8 A Project Completion Form will be completed and submitted by the applicant on completion of their project or event in order to draw down the final 25% payment.

6. Conditions of funding

- 6.1 Grants must be spent within one year of an award being made (from the date on the grant offer letter).
- 6.2 Grants awarded must be spent on the purpose stated in the application. If for any reason your circumstances change or you wish to vary the way in which you spend your grant, you are required to contact us to request written permission to do so.
- 6.3 In the event of a group or organisation ceasing to operate or failing to undertake or complete the project or event for which the grant was offered, South Kesteven District Council reserves the right to withhold payment, to reduce an award or seek its recovery.
- 6.4 Financial support provided by South Kesteven District Council should be acknowledged on all relevant printed publicity, on websites and in information given to the press. Relevant guidance will be provided to applicants at the time of a grant offer being made.
- 6.5 Your group or organisation must ensure that its project or event operates within the requirements of all legislation.

- 6.6 Your group or organisation should ensure equality of opportunity and the elimination of discrimination in the delivery of its project or event.
- 6.7 You will be required to inform the Council when your project or event has been completed and to submit a Project Completion Form within three months of completion (we will provide you with a template). You may also need to provide relevant invoices and a bank statement showing payments made. Groups or organisations who do not complete and return a satisfactory Project Completion Form may be required to return their funding and will not be considered for future funding.

Contact us

South Kesteven District Council
Council Offices
St Peters Hill
Grantham
NG31 6PZ

Tel: 01476 406080 **Email:** communityfund@southkesteven.gov.uk

October 2017



CABINET

Report of: Councillor Matthew Lee
The Leader of the Council

Report to:	Cabinet
Date:	9th November 2017
Subject:	InvestSK (iSK001)

Decision Proposal:	Key decision for approval and recommendation on to Council
Relevant Cabinet Member:	Councillor Matthew Lee The Leader of the Council
Report author:	Paul Thomas, Assistant Director for Growth and Development Tel: 01476 406162 E-mail: p.thomas@southkesteven.gov.uk Date: 24 th October 2017
Reviewed by:	Steve Ingram, Strategic Director - Development and Growth Tel: 01476 406007 E-mail: s.ingram@southkesteven.gov.uk Date: 25 th October 2017
Signed off by:	Daren Turner, Strategic Director - Commercial Tel: 01476 406301 E-mail: d.turner@southkesteven.gov.uk Date: 26 th October 2017
Approved for publication:	Councillor Matthew Lee, The Leader of the Council Date: 26 th October 2017

SUMMARY

This report sets out the resources required to establish InvestSK, so that it can drive significant growth into our economy through a number of key activities that encompass tourism, culture, heritage, business support and inward investment, skills, marketing, procurement, finance, programme management and masterplanning.

These activities will support the delivery of a £40m programme of projects which has the potential to grow the South Kesteven economy by £400m per year.

RECOMMENDATION

1. That Cabinet recommends to Council that the 2017/18 budget is amended to include the investment of £321,500 revenue to establish InvestSK.

1. BACKGROUND TO REPORT

- 1.1. The Council's number 1 priority is to drive the economy and, with it, the growth of the District.
- 1.2. South Kesteven's economy is currently worth around £2.7 billion pounds per year and through a number of economic initiatives and regeneration and development schemes the Council will be seeking to add a further £1.2 billion pounds to this.
- 1.3. The Leader of the Council has announced a series of strategic projects across the District that will aim to achieve the first £400 million of this growth target by investing £40 million pounds. The ambition will be to commence delivery of these projects by 2020.
- 1.4. Invest SK has been set up to deliver these projects and to drive significant growth into our economy through a number of key activities:
 - 1.4.1. Developing a strategy which makes the most out of the District's fine visitor attractions and encourages visitors to stay longer, and see more.
 - 1.4.2. Exploring and optimising access to external funding opportunities for both our local communities, businesses and for the Council in order to increase local investment and maximise the beneficial outputs from important projects and initiatives.
 - 1.4.3. Developing policies to ensure the ongoing protection of Stamford, the first conservation town in England, whilst ensuring that it remains a vibrant, growing community.
 - 1.4.4. Working with partners to develop a Heritage Quarter for Grantham; celebrating its fine heritage, in the heart of the town, from St Wulfram's church to the railway arches.
 - 1.4.5. Engaging with businesses to maximise growth and inward investment; utilising business intelligence in order to inform future strategies; and accelerating the growth of indigenous businesses.
 - 1.4.6. Leading on a collaborative approach to skills development alongside businesses and education establishments; putting the right infrastructure in place to maximise skills development in our communities.
 - 1.4.7. Marketing InvestSK to indigenous and potential new businesses and business networks, maximising knowledge of the Council's new inward investment team in order to optimise its impact.

- 1.4.8. Developing and implementing an approach to procurement that facilitates local participation and builds strategic partnerships and resourcing appropriate financial advice to ensure that the right funding is in place to enable project delivery.
- 1.4.9. Establishment of a programme delivery office to manage the delivery of the proposed programme of projects; managing risk, budgets and timescales to ensure the most efficient delivery of high quality outcomes.
- 1.4.10. Leading on the masterplanning of Grantham in order to develop it as a place where people want to come to and stay, growing the population to sustain vital services; creating a town where businesses invest and grow, where skills flourish, and where its culture, heritage and townscape make it a regional destination town.

The masterplan will focus on nine economic elements: Commercial, Heritage and The Arts, Leisure and the Visitor Economy, Retail and the Markets, Public Realm, Living, Gateways, Transport and Skills. These elements will also form the basis for future masterplans across the district.

- 1.5. The commencement of these projects and initiatives will require new roles to be established, and targeted support to be procured.

2. OTHER OPTIONS CONSIDERED

- 2.1. Three alternative options have been considered:

	Description	Reason for option being discounted
1	Continue to resource InvestSK with current Economic Development budget	Service investment of this level will significantly reduce the impact that the Council can have in driving the South Kesteven economy. Failure to properly assess and manage business need may see businesses leaving the district and growth rates reduce.
2	Rely on bids made through revenue budget-setting to fully establish InvestSK from 1 st April 2018	The start of the next financial year is five months away. These five months should be being spent actively gathering business intelligence, supporting communities bidding into finite European funds, promoting our visitor attractions, marketing the district and putting the appropriate due diligence in place to deliver the ambitious first stage of our investment programme.
3	Seek additional resource in order to expedite the growth of the district	This report focuses on what is considered to be the bare minimum resource required to establish InvestSK and to start making an impact on the local economy. Further resources will be bid for

		through the Council's budget-setting process. Consideration is also being given to future expansion of the team, potentially funded through business rates retention.
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3. RESOURCE IMPLICATIONS

- 3.1. The initial establishment of InvestSK will involve the creation of 5 new roles that will work alongside existing team members. The new roles are referenced in Appendix 1, and the overall costs for those roles (for the remainder of 2017/18, and from 2018/19 onwards) are set out below.
- 3.2. The establishment of InvestSK will also require specific work to be commissioned. The commissions will involve measures to assess and respond to business needs, the setting up a programme office (to manage project delivery) and advice on project procurement and finance support. Funds are also included for carrying out masterplanning work for Grantham and to provide marketing and skills support for South Kesteven's economy.
- 3.3. A bid for additional funding will also be submitted through the Council's budget-setting process. The bid will include additional roles and additional funding for commissions, which together will enable the continued focus of InvestSK.
- 3.4. Revenue Estimates

	Remainder of 17/18	18/19 onwards
New Roles	£51,500	£205,000
Commissions	£270,000	
	£321,500	£205,000

4. RISK AND MITIGATION

- 4.1. There are not considered to be any high level risks associated with the establishment of the InvestSK team.
- 4.2. The establishment of an appropriately resourced economic development and regeneration function, with qualified programme and project management support, will reduce the risk of project failure.

5. ISSUES ARISING FROM IMPACT ANALYSIS (EQUALITY, SAFEGUARDING etc.)

- 5.1. Impact analysis will be considered as part of the formal project delivery and policy development processes.

6. CRIME AND DISORDER IMPLICATIONS

- 6.1. Crime and disorder implications will be considered on a project-by-project basis.

7. COMMENTS OF FINANCIAL SERVICES

- 7.1. The financial implications of the proposal constitute a variation to the current budget framework agree for 2017/18. As a balanced budget has been achieved for the current year, the only short-term option is to fund the proposal from revenue reserves. Members have previously agreed to increase the use of the revenue reserve for the current year to £1.705M consisting of Big Clean £887K, St Peter's Hill office re-modelling feasibility and ICT investment £500K and InvestSK £321.5K.
- 7.2. However, using reserves is a short term funding solution. Therefore, the growth will need to be included in the 2018/19 budget proposals alongside other capacity bid proposals. As an element of this proposal relates to the establishment of staffing contractual arrangements (shown at paragraph 3.4), there will be cost implications should the budget growth for 2018/19 not be approved.

8. COMMENTS OF LEGAL AND DEMOCRATIC SERVICES

- 8.1. InvestSK is an initiative which will involve a team of officers of the Council and external advisors to support and deliver economic development and Investsk projects. Funding is required in the current financial year to recruit permanent employees of the Council and procure external advisors. This funding will be a consideration for future budgeting requirement beyond the current financial year.
- 8.2. The responsibility for agreeing the budget and changes to the budget lies with the Council

9. APPENDICES

Appendix 1: Detailed costs

10. BACKGROUND PAPERS

- 10.1. None

Appendix 1: Detailed costs (1st December 2017 to 31st March 2018)

	£	£	note
Tourism Lead	15,000		1 new post
Community Support for funding bids	20,000		2 new posts
Administration Support	6,500		1 new post
Heritage Regeneration Officer	10,000		1 new post
Sub total		51,500	
Economic Development	65,000		Commissioned support
Skills	10,000		Commissioned support
Marketing	10,000		Commissioned support
Programme Procurement and Finance	50,000		Commissioned support
			Commissioned Programme and Project Management
Programme office set-up costs	65,000		
Masterplanning for Grantham	70,000		Commissioned
Sub total		270,000	
Total		321,500	



Cabinet

Report of: Councillor Dr Peter Moseley
Cabinet Member for Environment

Report to:	Cabinet
Date:	9th November 2017
Subject:	Introduction of a Trade Waste Collection Service (ENV671) <i>The attached Business Case is exempt under Schedule 12A of the Local Government Act 1972 section 3 because it refers to the financial or business affairs of the Council.</i>

Decision Proposal:	Key decision
Relevant Cabinet Member:	Councillor Dr Peter Moseley
Report author:	Keith Rowe – Service Manager, Street Care Tel: 01476 406370 E-mail: k.rowe@southkesteven.gov.uk Date: 20 October 2017
Reviewed by:	Ian Yates – Assistant Director, Environment Tel: 01476 406201 E-mail: i.yates@southkesteven.gov.uk Date: 20 October 2017
Signed off by:	Tracey Blackwell – Strategic Director, Environment and Property Tel 01476 403058 E-mail: t.blackwell@southkesteven.gov.uk Date: 24 October 2017
Approved for publication	Councillor Dr Peter Moseley, Cabinet Member for Environment Date: 24 October 2017

SUMMARY

The opportunity exists for the Council to introduce a trade waste collection service to our local businesses. This would offer a good value reliable service providing employment in the local economy.

An analysis of the local business waste market indicates that a commercially viable opportunity exists to generate an income to support the waste portfolios overheads for a relative low business start-up cost. These start-up costs can be funded from existing waste initiative reserves.

RECOMMENDATION

It is recommended that the Council introduce a trade waste collection service to business customers.

1. BACKGROUND TO REPORT

- 1.1** Under the Environmental Protection Act 1990 (EPA 1990), the Council has a duty to arrange for the collection of commercial waste. We currently discharge this duty by referring customers to private companies operating within the area. The EPA 1990 also imposes a legal responsibility of “any commercial activity” - whether run from home or its own premises - to manage the waste it produces. In practice this requires businesses to have trade waste agreements in place.

Opportunity

- 1.2** The opportunity exists to build on the existing domestic waste collection services that the council provides by introducing a collection service to commercial organisations. As the majority of the infrastructure for delivering this business proposal is already in place, the only additional resources required initially are for the new sales and admin resources. There is no significant start-up capital required.
- 1.3** Many local authorities provide a trade waste service offering good value to local businesses in their areas. Our local commercial waste market is active with a number of providers operating from outside the area and one within Lincolnshire. The District Council can offer a service based on reliability, competitive rates and local employment, thereby supporting the local economy.

Business Case

- 1.4** Delivering a trade waste service in a commercial environment is a new venture for the Council, and to ensure its success in a competitive market will require our offer to be tailored to customer need. The attached confidential business case details the research undertaken analysing the market, the competition and the possible costs and associated sales.
- 1.5** Members have previously been supportive of this approach and recommended that an appropriate agreement with Lincolnshire County Council as the Waste Disposal Authority be secured. An agreement has now been obtained which will initially run until 31st March 2019. This allows the Council to co-mingle trade waste with domestic when collected and introduces a suitable methodology for calculating the disposal costs at an agreed price.
- 1.6** It is not possible to accurately determine the take up of customers as there are many influencing factors that are outside the Council's control. The market may adjust following the entry of a new competitor and prices could fall. Whilst this may mean that the new service loses potential income the business community will benefit from the lower prices. It is only by actually entering the market that we will be able to determine if the level of demand can sustain the new service.

- 1.7** The success of the proposal is very dependent upon securing the appropriately skilled sales resource. The person recruited will require the relevant experience in this (or a similar) commercial market. This roles employment terms should therefore reflect this and our standard terms of employment adapted to reflect those more akin to a commercial environment.
- 1.8** This service will be operating in direct competition with other providers and therefore in order to compete on the same terms our prices need to remain commercially confidential. For this reason they will not form part of the annual scale of charges publication process. Equally, we need flexibility in our pricing model to attract the high volume commercial contracts. Price rigidity is not commercially friendly.

2. OTHER OPTIONS CONSIDERED

- 2.1** The Council could continue not to directly provide a trade waste service as it can arrange for the service to be provided through the third parties.

3. RESOURCE IMPLICATIONS

- 3.1** The funding required for this financial year to cover the variable costs of employees, disposal costs and marketing materials is estimated at approximately £60,000 and this will be funded from the “Waste and Recycling Initiatives” reserve. The annual ongoing costs and revenues will be built into the 2018/19 service budgets.

4. RISK AND MITIGATION

- 4.1** Risk has been considered as part of this report and any specific high risks are included in the table below:

Category Risk	Action / Controls
The service fails to cover its costs.	Gateway reviews undertaken every 6 months to determine ongoing viability

5. ISSUES ARISING FROM IMPACT ANALYSIS (EQUALITY, SAFEGUARDING etc.)

- 5.1** This proposal is a commercial offer for businesses and does not therefore require an impact assessment.

6. CRIME AND DISORDER IMPLICATIONS

- 6.1** None.

7. COMMENTS OF FINANCIAL SERVICES

- 7.1** As with any new commercial venture, there is uncertainty over the level of demand and therefore the income but this is reflected in the business case. Revenue expenditure to fund start-up costs of £60k is required in this financial year and this can be met from the Waste and Recycling Initiatives Reserve.

8. COMMENTS OF LEGAL AND DEMOCRATIC SERVICES

- 8.1** The Local Government Act 2003 provides that a local authority can charge where it is exercising a discretionary function. The general power to charge is subject to a duty to secure that, taking one financial year with another, the income from charges does not exceed the cost of provision. Depending on the success of the service alternative arrangements may need to be considered in the future.

9. COMMENTS OF OTHER RELEVANT SERVICES – HR

- 9.1** In order to attract a Sales Executive of the right calibre and with the required level of commercial skills, it is important that we are able to offer a contract with terms and conditions that stand up favourably to others in the private sector. This could also be further justified if the role is designed to cover future commercial services developed by the Council as they come to market.

10. APPENDICES

- 10.1** Appendix 1 – Commercial Waste Business Case
The attached Business Case is exempt under paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended) because it refers to the financial or business affairs of the Council.

11. BACKGROUND PAPERS

- 11.1** None.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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