



MEETING OF THE CABINET
7 JANUARY 2008 - 11.01 AM - 12.01 PM

PRESENT:

Councillor Ray Auger
Councillor Paul Carpenter
Councillor Mrs Frances Cartwright
Councillor John Smith
Councillor Mrs Maureen Spencer-Gregson O.B.E.

Councillor Mrs. Linda Neal - Chairman

Chief Executive
Strategic Director (BA)
Corporate Head, Finance and Resources
Corporate Head, Healthy Environment
Corporate Head, Sustainable Communities
Service Manager, Legal (Monitoring Officer)
Service Manager, Housing Solution
Principal Lawyer
Sustainable Waste Management Policy Officer
Cabinet Support Officer
Public Relations Officer

Non-Cabinet Members : Craft, Lovelock

CO57. MINUTES

The minutes of the Cabinet meeting held on 3 December 2007 were approved as a correct record.



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South Kesteven District Council

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CO58. DECLARATIONS OF INTEREST (IF ANY)

No declarations of interest were made.

CO59. *DRY RECYCLABLES TENDER

DECISION:

The Cabinet:

- 1) approves the key features of the draft specification contained in report number WCS25; and**
- 2) authorises the Corporate Head, Healthy Environment to advertise the contract in line with the key features identified in report number WCS25.**

Considerations/Reasons for decision:

- (1) Report number WCS25 by the Healthy Environment Portfolio Holder on a contract to provide an outlet to accept and process dry recyclable material;
- (2) The arrangement that the District Council had with Mid UK Recycling was due to expire in July 2008;
- (3) Because of the potential value of the contract, the OJEU (Official Journal of European Union) process had to be used;
- (4) The contract should be cost-effective, minimise associated environmental impacts and provide opportunities to promote re-use and recycling messages to the community;
- (5) The contractor would need, as a minimum, to accept the co-mingled dry recyclables currently collected;
- (6) A three year contract with the possibility of a further two-year extension would offer flexibility to the council in light of changes being made in the waste industry and waste policy in Lincolnshire;
- (7) Use of the EU electronic procurement process would reduce the time required for key stages to be completed.

Other options considered and assessed:

1. The council requires a contract to be in place for the receipt and processing of dry recyclable material. There are no suitable alternative methods available to procure this service.

CO60. *BUDGET REQUIREMENTS

DECISION:

General Fund

The Cabinet:

- 1. notes the impact of the provisional 3 year Local Government Settlement for 2008/9, 2009/10 and 2010/11;**
- 2. sets a provisional target General Fund Budget Requirement of £15.783m for 2008/9, and an indicative target of £16.248m for 2009/10 and £16.767m for 2010/11 (inclusive of Special Expenses);**
- 3. requests public feedback from the local forum meetings in January and consultation contained within SK Today and the Council's website, in time for its consideration of the budget plans in February;**
- 4. agrees to review the target at decision 2 (above), at the Cabinet meeting in February, in light of the outcome of consultation and other updated information;**

Housing Revenue Account

The Cabinet:

- 5. recommends for consultation purposes the option 2 rent increase – that rents should increase in accordance with guideline rent but with a cap on individual rent increases, with no rents increase of more than "Rent + RPI (3.9%) + 0.5% + £2.00" and no rent being reduced, resulting in an average indicative rent increase of 7.79%;**
- 6. should recommend a review of the average rent increase recommendation to Council for budget purposes, in light of the final subsidy determination when produced;**
- 7. agrees to review the proposed rent increase at decision 5 (above), at the February Cabinet meeting, in light of consultation, together with proposals regarding garage rents and other service charges.**

Capital Programme

The Cabinet:

8. agrees to receive detailed reports setting out recommendations for the Capital Programme for both the General Fund and Housing Revenue Account, at the February Cabinet Meeting

Considerations/Reasons for decision:

- (1) Report number CHFR85 by the Corporate Head of Finance and Resources on the provisional three-year Local Government Finance Settlement for 2008/9 onwards, budget requirements, use of reserves, housing rent proposals for 2008/9 and other budget issues;
- (2) The proposed three-year Local Government Finance Settlement for 2008/9 to 2010/11 was announced on 6 December 2007. Consultation on this was due to close on 8 January 2008;
- (3) Formula grant for South Kesteven District Council was set at £9.882m (2008/9), £10.026m (2009/10) and £10.148m (2010/11);
- (4) Some specific grants that provided funding for local government were mainstreamed within the formula grant total;
- (5) Future planning delivery grant allocations would be linked to the delivery of housing performance. This would be payable in autumn 2008;
- (6) No Local Authority Business Growth Initiative (LABGI) funding would be available for 2008/9 until consultation on future funding had been completed;
- (7) The government reserved powers to cap local authority budget requirements where it judged authorities to have set excessive increases in council tax. Because of this, budget requirement has been based on a maximum increase in council tax of 4.95%;
- (8) As part of the consultation process, members had to formally ask residents' views on a cash standstill (0%), inflationary increase or a 4.95% increase in council tax;
- (9) The Council adopted an accounting policy that the working balance of the General Fund be maintained at between 4.4% to 5% of gross turnover or between 10% to 15% of net expenditure;
- (10) Report number CHFR62 to the Governance and Audit Committee, which provided an analysis of reserves and their proposed use;
- (11) The council's policy to keep in line with government guidance on rent re-structuring and guideline rent increases together with the draft HRA subsidy

determination, which proposes the removal of the Rental Constraint Allowance and a revised date for rent convergence of 2016/17;

- (12) The revised Medium Term Financial Strategy (MTFS) adopted in September 2007 and a review of the treasury management strategy, the fees and charging strategy and the capital strategy was undertaken during the last financial year;
- (13) Consideration of fees and charges undertaken by the Resources PDG.

Other options considered and assessed:

1. To increase rents to ensure rent convergence by 2016/17 based on guideline rent. This option would result in some rents being reduced in the next financial year but then require them to increase in future years to achieve convergence, whilst also resulting in an average increase of 10.53% and a maximum increase of 17.64% for some tenants, which is expected to have implications for the HRA through subsidy limitation, therefore, this option was not considered appropriate.
2. To increase rents using the previous 5% cap. This would be in line with the previous Rental Constraint Allowance Policy adopted by the Government in 2005/6 and 2006/7 but with a cap on individual rent increases so that no rent is increased by more than rent + RPI (3.9%) + 0.5% + £2.00. This option would not meet the aim of rent convergence by 2016/17 and would not mitigate the impact of the loss of the rental constraint allowance.
3. To increase rents to ensure rent convergence by 2011/12 based on the government's original aim for convergence and taking account of guideline rents for subsidy purposes. This option would result in some rents being reduced in the net financial year only to be increased in following years, whilst also resulting in an average increase of 11.04% and a maximum increase of 23.37% for some tenants, which is expected to have implications for the HRA through subsidy limitation.

CO61. GRANTHAM GROWTH POINT UPDATE

DECISION:

- 1. That the Cabinet considers the relative priority of**

projects set out within the submitted Programme of Development document in the light of the level of the funding allocation announced, which would help to inform the discussion of the Grantham Growth Strategic Board which comprises member representation from both Lincolnshire County Council and South Kesteven District Council;

- 2. That the Portfolio Holder for Economic Development be given delegated responsibility to represent the Cabinet at the Grantham Growth Strategic Board subject to providing feedback regarding any implications for this Council and seeking relevant approval where appropriate;**
- 3. The Cabinet agrees that once the prioritisation has been determined by the Strategic board work is undertaken to clarify the level of contribution and support that can be derived from alternative sources.**

Considerations/Reasons for decision

- (1) Report number SD18 by the Strategic Director and the Corporate Head, Sustainable Communities on the outcome of the Grantham Growth Point bid;
- (2) A bid for funding of £49m was submitted to government under the Growth Point initiative on 1 October 2007;
- (3) On 5 December 2007 the allocation for funding of new growth points was announced. Grantham had been allocated £1.77m capital funding and £179,000 revenue funding in 2008/9 with an indicative allocation of a further £3.29m in capital and £251,000 revenue over the following two years;
- (4) The Programme of Development for growth in Grantham was developed in partnership by SKDC and Lincolnshire County Council taking on board the views of local residents and the business community;
- (5) The Programme of Development document highlighted the main areas of development opportunity in Grantham;
- (6) Work was underway to establish where both private and other public funding sources could provide additional support to contribute towards the original development plans;
- (7) The district and county councils, through the Grantham Growth Strategic Board, would need to agree key priorities for inclusion in the revised Programme of Development for submission to the DCLG to gain confirmation of the indicative funding allocations in relation to years 2 and 3 of

the bid submission.

CO62. HOUSING ALLOCATIONS POLICY

DECISION:

The Cabinet:

- 1. Endorses the revised draft Housing Allocations Policy as set out in Appendix 1 of report number CHSC006 for public and stakeholder consultation in line with the statutory requirements of the Housing Act 1996; and**
- 2. Notes the attached timescale attached as appendix 2 of report number CHSC006, for implementation of the policy, associated new procedures (to be worked up by officers) and a choice based lettings scheme.**

Considerations/Reasons for decision:

- (1) Report number CHSC006 by the Communities Policy Development Group (PDG) proposing a draft of the revised Housing Allocation Policy (appended to the report) for endorsement by the Cabinet for public and stakeholder consultation;
- (2) Changes to the existing policy were required to comply with legislative and guidance requirements, to update the policy in line with good practice and to prepare for Choice Based Lettings by 2010, as required by government;
- (3) Work undertaken by a Communities PDG working group which led to the draft policy which was considered and amended by the Communities PDG;
- (4) The policy would allow “reasonable preference” to be given to the groups listed in the Housing Act 1996 incorporating the Homelessness Act 2002;
- (5) The existing Housing Allocations Policy did not take sufficient account of the growing importance of preventing homelessness;
- (6) The Code of Guidance for Allocations encouraged local authorities to adopt a simplified banding approach rather than the traditional points based system;
- (7) Policy objectives would be to create balanced communities, meeting housing needs in a way that promoted sustainable tenancies, simplicity and transparency of the prioritisation system and incorporating locality, suitability of area assessed against needs and

housing for key workers

(8) PDG recommendation for 007, appended to the report.

Other options considered and assessed:

The options discussed, considered and assessed by the working party and PDG are set out as in the report to and minutes of the Policy Development Group meeting held on 6 December 2007.

CO63. *SAFEGUARDING POLICY FOR LOCAL HOUSING ALLOWANCES

DECISION:

- 1. The Cabinet recommends to Council, the adoption of the Safeguard Policy which will take effect from 7 April 2008.**
- 2. That a letter be sent to the relevant government department about changes to the Housing Benefit Scheme under the requirements of the Welfare Reform Act 2007.**

Considerations/Reasons for decision:

- (1) Report number RB001 by the Resources and Assets Portfolio Holder on the implementation of a Safeguard Policy under the requirements of the Welfare Reform Act 2007 together with the attached draft policy and an initial equalities impact assessment;
- (2) The policy had to be implemented before 7 April 2008 when the Local Housing Allowance (LHA) becomes effective;
- (3) Existing customers would continue to receive Housing Benefit under current rules unless they changed address or had a break in their claim of one wee;
- (4) The aims of the scheme were to promote fairness, choice and transparency while empowering people to budget for and to pay their rent themselves;
- (5) The draft policy was developed by Lincolnshire Benefit Managers and it was proposed that this be adopted by all local authorities in Lincolnshire.
- (6) The new government policy could have a negative effect as Landlords could prefer to house tenants in arrears because rent would be paid directly to them.

Other options considered and assessed:

The Council is required by the Welfare Reform Act 2007 to

implement a Safeguard Policy before 7 April 2008.

CO64. *LINCOLNSHIRE COUNTY HOMELESSNESS STRATEGY

DECISION:

The Cabinet endorses the adoption of the Lincolnshire County Homelessness Strategy;

Considerations/Reasons for decision:

- (1) Report number HST15 by the Corporate Governance and Housing Portfolio Holder on a joint strategic approach to address the requirements of the Homelessness Act 2002.
- (2) The Lincolnshire Homelessness Strategy 2008-12 appended to report HST15 and the attached initial equalities impact assessment;
- (3) The Lincolnshire County model is one that has been identified as best practice on cross sector planning;
- (4) The strategy was built around the contribution of many stakeholders and embraced national, regional and local influences including the Lincolnshire Supporting People Strategy and the Local Area Agreement;
- (5) As it relates to a statutory service for all the Lincolnshire districts, the strategy recognises that major financial input will not be a means to deliver its outcomes

Other options considered and assessed:

1. Individual authorities are able to identify their own homelessness strategies; national and regional agendas coupled with countywide influences such as Supporting People and Local Area Agreements and the existence of common stakeholders across all the districts mean that a joint approach and the sharing of best practice will provide better customers and councils alike.
2. Appendix 2 to the strategy outlines a range of options that are not to be pursued.

CO65. ITEMS RAISED BY CABINET MEMBERS INCLUDING REPORTS ON KEY AND NON KEY DECISIONS TAKEN UNDER DELEGATED POWERS.

Councillor Mrs Maureen Spencer-Gregson

Decision:

That approval is granted to award the Council's banking contract to National Westminster Bank for a period of five years (with an option to extend by a further two years) effective from 1st January 2008.

[07.01.08]

DATE DECISIONS EFFECTIVE:

Minute numbers 60 and 63, being policy framework proposals, stands referred to the next ordinary meeting of the Council on 24 January 2008. All other decisions as made on the 7 January 2008 can be implemented on 16 January unless subject to call-in by the Chairman of the Scrutiny Committee or five members of the Council.

**South Kesteven District Council, Council Offices, St. Peter's Hill,
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