



**MEETING OF THE CABINET**  
**9 FEBRUARY 2009 - 11.00 AM - 11.44 AM**

**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**

**Strategic Directors (BA and IY)**  
**Corporate Head, Finance and Customer Services**  
**Corporate Head, Partnerships and Improvements**  
**Principal Lawyer**  
**Financial Management Team Leader**  
**Cabinet Support Officer**

**Non-Cabinet Members :**      **Craft Stokes**

**CO57. MINUTES**

The minutes of the meeting held on 5<sup>th</sup> January 2009 were confirmed as a correct record of the meeting.

**CO58. DECLARATIONS OF INTEREST (IF ANY)**

No declarations of interest were made. "Listening Learning Delivering"

**South Kesteven District Council**

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CO59. \*DETERMINATION OF BUDGET 2009/10 AND INDICATIVE BUDGET FOR 2010/11 AND 2011/12 AND APPROVAL OF PRIORITY PLANS

**DECISION:**

**General Fund Revenue Estimate**

**The Cabinet recommends parts a. to n. to Council:**

- a. to set a General Fund budget requirement of £16.171M for 2009/10 and an indicative target of £16.581M for 2010/11 and £16.592M for 2011/12 (inclusive of special expenses).**
- b. to set a Council Tax increase of 3.5% for 2009/10.**
- c. to approve the original base estimate for 2009/10: and indicative base estimates for 2010/11 and 2011/12 as detailed in the summary at Appendix A page 1;**
- d. to approve the Treasury Management Strategy provided at Appendix B;**
- e. to approve increases in Fees and Charges for 2009/10 (in accordance with the Council's Fees and Charges Strategy) as set out in Appendix C .**
- f. to approve the Revenue and Capital Reserves statement contained at Appendix A page 8.**
- g. to require the fundamental review of services where the projected income levels show a continued reduction to ensure the allocated resources are proportionally aligned.**
- h. To approve the setting of cash releasing efficiency targets for each corporate head area in order for the Council to achieve its overall efficiency target.**
- i. To approve the priority theme plans as detailed at Appendix D.**
- j. to approve the introduction of MOT testing for taxis, motorcycles and larger vehicles (up to 3.5 tonnes)**
- k. to approve the cessation of play schemes with effect from 1 April 2009.**
- l. to approve the use of the Housing and Planning Delivery Grant in respect of the works associated with the Local Development Framework.**
- m. to approve the creation of a Community Response Fund**
- n. to receive and consider at the meeting, the analysis of the outcome of Budget Consultation.**

**Capital Programme**

**The Cabinet recommends parts o.to q. to Council:**

- o. to approve the Capital Programme for 2009/10 and indicative programme for 2010/11 to 2011/12 detailed at Appendix A page 9-12.**
- p. to authorise the funding proposals subject to an annual review of the financing options by the Corporate Head of Finance and Customer Services, in consultation with the Portfolio Holder, during the preparation of the Statement of Accounts to optimise the use of Council resources.**
- q. To approve the setting of cash releasing efficiency target in respect of the Capital programme.**

**Housing Revenue Account (HRA)**

**The Cabinet recommends parts r. to x. to Council:**

- r. to set dwelling rent increases in accordance with Government guideline rent, but with a cap on individual rent increases of no more than 7%, providing an average rent of £62.61 ( and an average rental increase of 6.04%).**
- s. to set an increase in garage rents of 5.5%**
- t. to increase service charges by 5.0% (retail price index September 2008) .**
- u. approve a policy of a target HRA working balance of £5M.**
- v. to approve the policy of achieving a breakeven Housing Revenue Account by the financial year 2011/12 and to ensure all years, thereafter, achieve a breakeven position.**
- w. to approve the Housing Revenue Account for the year 2009/10 and indicative years 2010/11 and 2011/12 shown at Appendix A page 13.**
- x. to approve the setting of cash releasing efficiency target in respect of the Housing Revenue Account.**

Considerations/Reasons for budget related decisions:

- (1) Report number CHFCS15 by the Corporate Head, Finance and Customer Services in relation to:
  - o Revenue and Capital Expenditure together with the potential use of reserves
  - o Proposals regarding the setting of the Council Tax
  - o The Treasury Management Strategy for the Council

- The level of fees and charges,
- Providing advice to Councillors on the robustness of the Budget proposals and adequacy of balances and reserves as required by the Local Government Act 2003.

(2) The proposals have regard to accounting requirements and external factors affecting the budget;

(3) The 2009/10 Budget and indicative budgets for 2010/11 to 2011/12 have been drawn up to take account of the Council's various strategies, policies and the financial context, in particular:

- The Corporate Plan
- The Council's priority themes
- The Medium Term Financial Plan (MTFP)
- Service Strategies and Plans
- The economic downturn
- The 2008/09 forecasting outturn

(4) A balanced budget has been achieved at a time when current and future resources are tight;

(5) Comments made at the meeting regarding the economic downturn, including the fall of interest rates to 1%;

(6) All service budgets include a workforce efficiency target for each service area (totalling £251K in 2009/10) in order to ensure the staffing resource is efficiently managed and ensure there is the opportunity to challenge vacancies that arise in services. This is now shown at service level rather than an overall target.

(7) Comments made by the Cabinet Members regarding the Concessionary Travel scheme; the difficulties in estimating the cost of the service and the possibility that the county council may take responsibility for the scheme in the future;

(8) Comments made by the Cabinet Members and the Corporate Head of Finance and Customer Services regarding the new proposed budget heading Community Response Fund and the delegation of proposals to the relevant Corporate Head and the Portfolio Holder;

(9) Noting the comments of the Resources PDG and acknowledgement of work undertaken by the PDG on fees and charges;

(10) The speech commending the budget proposals by the Resources & Assets Portfolio Holder.

CO60. \*PROGRESS ON DEVELOPING A SUSTAINABLE COMMUNITY STRATEGY AND LOCAL AREA AGREEMENT

**DECISION:**

**The Cabinet recommends the outline Lincolnshire Sustainable Community Strategy themes and outcomes and the South Kesteven chapter to Full Council for its approval at its meeting on 2 March.**

Considerations/Reasons for budget related decisions:

- (1) Report POI32 by the Leader of the Council,
- (2) Noting an updated version of the Sustainable Communities Strategy circulated at the meeting, with an amendment to the Economy chapter, taking into account the economic downturn.
- (3) Recommendations made by the Communities PDG on the 29th January 2009.

Other options considered and assessed:-

- (1) Although the Lincolnshire County Council is the body that will adopt the Lincolnshire Sustainable Community Strategy, its success depends on the input from many organisations including South Kesteven District Council. Consequently it was felt inadvisable not to bring the outline content before members.

**DATE DECISIONS ARE EFFECTIVE**

**All decisions as made on 9<sup>th</sup> February stand referred to full Council on the 2<sup>nd</sup> March 2009.**

**South Kesteven District Council, Council Offices, St. Peter's Hill, Grantham, Lincolnshire NG31 6PZ**

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