

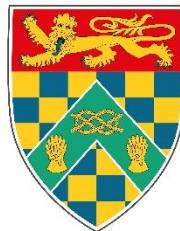
Minutes

Cabinet

Tuesday, 11 February 2025

Date of publication: 21 January 2025

**Call in expiry: 28 February 2025, decisions
can be implemented 3 March 2025 (if no
call-in)**



**SOUTH
KESTEVEN
DISTRICT
COUNCIL**

The Leader: Councillor Ashley Baxter, Leader of the Council (Chairman)
The Deputy Leader: Councillor Paul Stokes, Deputy Leader of the Council (Vice Chairman)

Cabinet Members present

Councillor Rhys Baker, Cabinet Member for Environment and Waste
Councillor Richard Cleaver, Cabinet Member for Property and Public Engagement
Councillor Phil Dilks, Cabinet Member for Planning
Councillor Philip Knowles, Cabinet Member for Corporate Governance and Licensing
Councillor Virginia Moran, Cabinet Member for Housing

Non-Cabinet Members present

Councillor Tim Harrison
Councillor Charmaine Morgan
Councillor Elvis Stooke

Officers

Karen Bradford, Chief Executive
Richard Wyles, Deputy Chief Executive and Section 151 Officer
Graham Watts, Assistant Director (Governance and Public Protection) and Monitoring Officer
Emma Whittaker, Assistant Director of Planning
Claire Moses, Head of Service (Revenues, Benefits Customer and Community)
Chris Prime, Communications Manager
Debbie Roberts, Head of Corporate Projects, Policy and Performance
David Scott, Assistant Director of Finance and Deputy Section 151 Officer
James Welbourn, Democratic Services Manager (Deputy Monitoring Officer)
Patrick Astill, Communications Officer
Amy Bonfield, Planning Policy Officer
Shaza Brannon, Planning Policy Manager
Michael Chester, Leisure, Parks and Open Spaces Team Leader

106. Introductory Comments

It was agreed to move item 111 - Grantham Meres Leisure Centre Gym Refurbishment Proposals to be the last item in proceedings due to the confidential nature of the report.

The following points were raised around local government reorganisation:

- a letter had been received from Jim McMahon MP, Minister of State for Local Government and English Devolution. Informal discussions had taken place with neighbouring authorities.
- The Leader had visited Peterborough City Council with the Chief Executive on 11 February to discuss their approach to local government reorganisation. He had also met with officials from Rutland County Council and would be meeting all Leaders of Lincolnshire authorities on Friday 14 February 2025.
- There would be an opportunity at the next Full Council meeting on 27 February 2025 for all Councillors to share their thoughts on any draft proposals.
- The letter requested a draft local government reorganisation proposal within 6 weeks – a tight deadline. Any new authority would likely be three times the size of South Kesteven District Council. Both major parties had previously discussed devolution bringing decisions closer to the people affected. This appeared to be the reverse of this.
- It was important how the Council consulted with residents on this issue.
- It was hoped that constructive conversations would take place with Rutland County Council given the shared border with South Kesteven District Council.
- The proposal due in 6 weeks should demonstrate community engagement.
- The Council was being asked to undergo a very technical change without a clear direction on how to manage this change.

107. Public Open Forum

There were no comments from members of the public.

108. Apologies for absence

There were no apologies for absence.

109. Disclosure of Interests

Councillor Philip Knowles declared an 'other registrable interest' in item 111 – Grantham Meres Leisure Centre Gym Refurbishment Proposals as a Director of Leisure:SK Limited.

110. Minutes of the previous meeting

The minutes of the meeting held on 16 January 2025 were agreed as a correct record.

111. Draft Budget Proposals for 2025/2026 and Indicative Budgets for 2026/2027 and 2027/2028

Purpose of the report

To present draft Budget proposals and estimates for 2025/26 for the General Fund and the Housing Revenue Account (HRA).

Decision

Cabinet made the following recommendations to Council to:

- 1. Set a General Fund budget requirement of £20.603m for 2025/26 (inclusive of special expenses) as detailed at section 2 of the report and Appendix A.**
- 2. Propose a Council Tax level of £189.37 for 2025/26 (Band D property) after taking into consideration the consultation findings.**
- 3. Note indicative Budget estimates for 2026/27 and 2027/28 (Appendix A).**
- 4. Approve HRA dwelling rent increases of 2.7% for 2025/26 providing an average rent of £100.77 per week.**
- 5. Approve an increase in HRA garage and shared ownership rents of 1.7%.**
- 6. Approve the HRA Revenue Budget 2025/26 and to note the indicative budgets for 2026/27 and 2027/28 (Appendix A).**
- 7. Approve the General Fund Capital programme and financing statement 2025/26 to 2027/28 detailed at Section 6 of the report and Appendix B.**
- 8. Approve General Fund Capital Programme budget carry forward £11.433m from 2024/25 (Appendix B).**
- 9. Approve the Housing Capital programme and financing statement 2025/26 to 2027/28 detailed at Section 6 and Appendix B.**
- 10. To approve the HRA Capital Programme budget carry forward of £2.842m from 2024/25 (Appendix B).**
- 11. Approve the movements in General Fund Reserves detailed in Section 8 of the report and Appendix C, In addition this would include the movement of £2million from the Local Priorities Reserve to the Property Maintenance Reserve.**
- 12. To approve the movements in HRA Reserves detailed at Section 8 of the report and Appendix C.**
- 13. To approve the Treasury Management Strategy Statement detailed at Section 10 and Appendix F.**

14. To approve the Capital Strategy detailed at Section 10 of the report and Appendix I.

15. To make no changes to fees and charges related to Muslim burials in the budget setting process for 2026/2027.

Alternative options considered and rejected

No other options were considered – the Council was legally required to set a balanced budget each financial year.

Reasons for the decision

This was the latest report related to the Budget and sought to recommend a balanced budget to Full Council. The report had previously been considered at Joint Budget Overview and Scrutiny Committee and Cabinet and had also been subject to a public consultation. This year there had been 767 responses; more than half of these respondents supported the maximum 2.98% increase in Council Tax. This would bring South Kesteven District Council's share to £189.37 for a band D property, or £3.60 a week per household.

Since the budget proposals had been debated in January the final funding settlement from government had been announced. There was no further funding available for the Council at this time, although drainage board financial support was awaited, as was a final answer on reimbursement for National Insurance increases.

A briefing note on fees and charges related to Muslim burials was considered by Cabinet. This was due to a referral from the Full Council meeting held on 30 January 2025. The current fees had been in place for five years, during which time there had been 4 Muslim burials at Grantham Cemetery. There had been 39 burials in total at the Cemetery. Cabinet agreed to not consider amending charges in the 2025/2026 budget but to consider any changes during the budget setting process in 2026/2027.

The movement of £2million from the Local Priorities Reserve to the Property Maintenance Reserve was required due to the current situation with conditions surveys for Council-owned properties. There was an estimated cost of £5.3 million for Category C dilapidations for non-housing stock, a serious problem that had built up over several years. By committing more money to the Property Maintenance Reserve, the budget could be accelerated and increased as and when necessary.

It was recommended that Council-owned bus station departure charges, market stall charges and leisure centre membership fees were not to be increased for 2025/2026.

Recommendation 2 included the opportunity to take the maximum Council Tax increase; this had been added following the public consultation.

This was the first time that the Treasury Management Strategy and Capital Strategy had been seen by Cabinet. The Treasury Management Strategy had been scrutinised in line with the CIPFA code.

The Council was legally required to set a balanced budget each financial year. The budget report for Full Council on 27 February 2025 would also include the Council Tax Base for 2025/2026 for approval.

112. Local Development Scheme (2025 - 2028)

Purpose of the report

The Planning and Compulsory Purchase Act 2004 (as amended by the Planning Act 2008 and Localism Act 2011) required a Local Planning Authority to prepare and maintain a Local Development Scheme setting out the Development Plan documents to be produced, including the Local Plan. The report sought approval of the 2025 - 2028 Local Development Scheme for publication.

Decision

That Cabinet approved the Local Development Scheme (2025-2028) for publication.

Alternative options considered and rejected

The alternative of not reviewing the Local Development Scheme was discounted. Failing to keep the Local Development Scheme up to date would contravene the statutory requirements of the Planning and Compulsory Planning Act 2004 (as amended by the Localism Act 2011) and Town and Country Planning (Local Planning) (England) Regulations 2012.

Reasons for the decision

The reason for the recommendation was to ensure the Council was providing an up-to-date position and an accurate timeline for the production of development plan documents. This would ensure that the Council was in accordance with the requirements of the Planning and Compulsory Purchase Act 2004 (as amended).

In a letter to chief planners, the Ministry of Housing, Communities & Local Government asked that, in light of the changes to the National Planning Policy Framework, that all planning authorities produced an updated Local Development Scheme within 12 weeks of the publication of the NPPF, i.e. by no later than 6 March 2025. Approval and publication of the revised Local Development Scheme in February 2025 would ensure this deadline was met.

Maintaining an up-to-date Local Development Scheme would ensure a transparent process. This was important because the local community and others with an interest in the district could be kept aware of development plan production and stages of consultation.

Supporting the continuity of the planning function in South Kesteven would aid the recovery of the local economy and the economic resilience of the district by providing greater certainty and confidence for future investment and development.

The following points were highlighted:

- The Council had previously been progressing towards Regulation 19 consultation, however in December 2024 the government published a revised NPPF which mandated a need for more housing across South Kesteven. The Council was therefore not proceeding with Regulation 19 consultation at this time. The Council was required to keep the Local Development Scheme up to date to reflect any changes to the timetable.
- The new local plan timetable indicated that consultation on Regulation 19 would now take place in January-February 2026, with submission of the new Local Plan by November 2026.
- All parish and town councils would be notified of the Local Plan at the publication stage.
- Updating the Local Development Scheme alongside local government reorganisation was a big task. There was a great deal of work to do to meet the requirements of the Local Plan and ensure sustainable development to 2041.

113. Regulation 18 Draft Local Plan Statement of Consultation

Purpose of the report

Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012 required local planning authorities to take into account any representation made to them in response to consultations undertaken in accordance with Regulation 18. The Statement of Consultation documents the February - April 2024 consultation on the Draft Local Plan and reported on the comments received.

Decision

That Cabinet:

- 1. Noted the feedback responses.**
- 2. Approved the Regulation 18 Draft Local Plan Statement of Consultation for publication.**

Alternative options considered and rejected

The alternative of not publishing a Statement of Consultation was discounted. Failing to publish a Statement of Consultation would contravene the statutory requirements of the Town and Country Planning (Local Planning) (England) Regulations 2012.

Reasons for the decision

The reason for the recommendation was to ensure the Council was complying with its statutory duty to consider and report on consultation comments received through the Regulation 18 Draft Local Plan consultation. Publication of the Statement also ensured that the Local Plan process was transparent.

The consultation had been published for an 8-week period in February 2024 and had sought comments on draft policies and proposed site allocations. The consultation had attracted over 2,400 comments from 794 respondents. The Regulations now required planning authorities to take account of representations made to them. The Statement of Consultation documented how the Council engaged with residents, stakeholders and others.

A new Regulation 18 consultation would be published at a later stage; those that had responded to the original consultation need not do so again. Existing comments, and any new representations would be considered as the Local Plan progressed.

114. Budget Update Report: April to December 2024

Purpose of the report

To present the Council's forecast 2024/25 financial position as at end of December 2024. The report covered the General Fund Revenue Budget, Housing Revenue Account Budget, and the capital programmes and reserves overview for the General Fund and Housing Revenue Account.

Decision

That Cabinet noted the forecast 2024/2025 outturn position for the General Fund, Housing Revenue Account Revenue and Capital budgets as at the end of December 2024.

Alternative options considered and rejected

The report was for noting – therefore no other options were considered.

Reasons for the decision

This report provided an overview of the forecast 2024/25 financial position for the Council and focused on the position as at the end of December 2024.

Effective budget management was critical to ensuring financial resources were targeted towards the Council's priorities. Monitoring enabled early identification of variations against the plan and timely corrective action.

SKDC remained in a strong financial position. Investment income was performing above budgeted levels, which was due to good management and the market conditions.

Some expenditure needed to be reclassified for both the General Fund and the Housing Revenue Account, as it had originally been intended to be capital but was

actually revenue in nature. Some overspends in both capital programmes had been offset.

Although movements of monies had taken place between different budget lines there was no overall impact on the financing of budgets.

The risk '*Capital programmes requiring borrowing in the medium term*' within the risk register was highlighted. It was confirmed that this was a 'very high' risk in the medium rather than the short-term, as in the short-term capital expenditure could be funded from reserves or internal borrowing. It was a high risk in the medium term as beyond the current three-year programme external borrowing may be required.

Parking income was performing better than expected even with the offer of some free parking in the lead up to Christmas 2024.

115. Cabinet Forward Plan

The Forward Plan was noted.

116. Open Questions from Councillors

Question 1 – Councillor Elvis Stooke

Councillor Stooke asked if the Cabinet Member for Planning would meet with him to discuss issues related to a housing development on Portmarnock Way in Belmont ward.

Councillor Dilks was happy to do this on receipt of further details.

The Leader also had details related to the Towngate East development in Market Deeping, which he would share with Councillor Dilks and the Assistant Director for Planning and Growth.

Question 2 – Councillor Charmaine Morgan

Councillor Morgan asked for a commitment from South Kesteven to work in partnership with town and parish councils on emergency planning procedures.

The Chief Executive outlined the proactive response to the recent flooding in the district whilst reminding all members that Lincolnshire County Council was the lead flood authority, along with the Environment Agency. Officers from South Kesteven offered support to any flood response, and the Lincolnshire Resilience Forum (LRF) offered support to town and parish councils in the district in the preparation of their emergency planning documents.

The Emergency Planning and Health and Safety lead would speak to Grantham Town Council to outline support available from SKDC and the LRF. He was also thanked for his incredible work on assisting with the flood response.

117. Grantham Meres Leisure Centre Gym Refurbishment Proposals

Purpose of the report

To consider a request from LeisureSK Ltd. for a loan to finance a refurbishment of the gym area at Grantham Meres Leisure Centre.

Decision

That Cabinet:

- 1. Approves the inclusion of a budget allocation of £240,000 to the capital budget for 2025/2026 to provide a loan to LeisureSK Ltd to facilitate a refurbishment of the gym area and equipment at Grantham Meres Leisure Centre.**
- 2. Delegate authority to the Deputy Chief Executive and s151 Officer in consultation with the Deputy Leader and Cabinet Member for Leisure and Culture, to agree the final terms and conditions of the loan and sign the loan agreement on behalf of the Council, subject to Council approval of a budget allocation.**

Alternative options considered and rejected

The Directors for LeisureSK Ltd. had explored leasing options to refresh the equipment at Grantham Meres Leisure Centre. This identified that the cost of doing so would be more expensive and therefore not provide best value for money. It may also be necessary for the Council to provide a parent company guarantee should a leasing option be progressed.

Reasons for the decision

The Council had previously provided a loan to LeisureSK Ltd. to refurbish the gym area at Bourne Leisure Centre. The company were meeting the loan repayments and had seen an increase in the income and membership numbers at Bourne Leisure Centre as a result.

There was a requirement to refurbish the gym equipment at Grantham Meres Leisure Centre. The equipment was reaching the end of its life, which could limit the gym's appeal to new customers. It would also potentially lead existing members to join rival facilities.

The request for a loan from LeisureSK Ltd. could be incorporated and considered within the Council's budget proposals for 2025/26.

Councillor Philip Knowles took no part in the debate or vote due to his role as a Director on the LeisureSK Ltd. board.

118. Close of meeting

The meeting ended at 15:02.