

MINUTES of a meeting of the CABINET held in the Board Room, Council Offices, Coalville on TUESDAY, 12 DECEMBER 2017

Present: Councillor R Blunt (Chairman)

Councillors R D Bayliss, T J Pendleton, N J Rushton and A V Smith MBE

In Attendance: Councillors J Clarke, J G Coxon, T Eynon, G Hault, J Legrys and S Sheahan

Officers: Ms T Ashe, T Galloway, Mrs C Hammond, Mr G Jones, Mrs B Smith and Miss E Warhurst

**74. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor T Gillard.

**75. DECLARATION OF INTERESTS**

There were no interests declared.

**76. PUBLIC QUESTION AND ANSWER SESSION**

There were no questions received.

**77. MINUTES**

Consideration was given to the minutes of the meeting held on 14 November 2017.

It was moved by Councillor R Blunt, seconded by Councillor A V Smith and

RESOLVED THAT:

The minutes of the meeting held on 14 November 2017 be approved and signed as a correct record.

**Reason for decision:** To comply with the Constitution.

**78. DEVELOPING THE MEDIUM TERM FINANCIAL STRATEGY**

The Corporate Portfolio Holder presented the report to Members.

He informed Members that the report outlined that the current financial issues facing the Council would be addressed through the Medium Term Financial Strategy and it introduced the new approach in promoting self-sufficiency and sustaining growth. He stated that the most significant of financial issues was the uncertainty surrounding the shape of the Fair Funding review which would determine the level of business rate baseline, tariffs and levies chargeable against rates collected and could reduce the Council's business rate income by up to £1.7m from 2020/21. He advised Members that it would have a big impact on the authority as it had met its business growth requirements.

He informed Members that the plan would also present 'self-sufficiency' targets to reduce the reliance on government grant and the targets would enable the Council to align the use of Government grants to support local infrastructure development and growth initiatives that in turn would assist with achieving sustainable growth through additional council tax and business rate income. He highlighted that it would be dependent on the success of the bid that had been submitted by the Leicester and Leicestershire Authorities for the pilot.

Chairman's initials

He thanked the Chief Executive for her work on the strategy so far.

It was moved by Councillor N J Rushton, seconded by Councillor R Blunt and

RESOLVED THAT:

The financial issues facing the Council would be addressed through the Medium Term Financial Strategy, due for approval by Cabinet and Council in February 2018 be noted.

**Reason for decision:** Requirement of the budget setting process

## **79. GENERAL FUND AND SPECIAL EXPENSES REVENUE BUDGET PROPOSALS 2018/19**

The Corporate Portfolio Holder presented the report to Members.

He informed Members that the draft General Fund Budget for the next year showed a projected surplus of £568k, which would take the forecast level of General Fund reserves to £4.2m at 31 March 2019, however there were still uncertainties around the level of Business Rates income and the value of the New Homes Bonus payments the Council would receive. He reminded Cabinet that in line with its decision in January 2017 the Local Council Tax Support Scheme had continued in 2017/18 and the scheme would see the first phased in reduction of 25% from 2018/19.

He highlighted that the draft budget for Special Expenses presented a balanced budget and that some of the risks in the budget included a decrease in waste and leisure incomes, an increase to the ICT budget and a possible increase to the salary budget of 2% plus 2% the following year would need to be considered by officers.

Councillor R Blunt advised that it was again proposed not to increase Council Tax for the ninth year in succession.

It was moved by Councillor N J Rushton, seconded by Councillor R Blunt and

RESOLVED THAT:

- A. The 2018/19 budget proposals for statutory consultation be agreed.
- B. The Assurance Statement by the Deputy S151 Officer be noted.

**Reason for decision:** Required to complete 2018/19 budget process.

## **80. HOUSING REVENUE ACCOUNT (HRA) BUDGET PROPOSALS FOR 2018/19**

The Housing Portfolio Holder presented the report to Members.

He informed Members that the report before them asked Cabinet to agree the 2018/19 budget proposals for statutory consultation which included the 1% rent decrease in line with the Governments four year rent reduction. He highlighted that the budget showed a projected balanced budget, with a £3m contribution to the Loan Redemption Reserve. This would take the estimated Loan Repayment Reserve balance to £11.2m which in turn meant the money would be ready for repayment before the 2022 date. He added that the General Balance would remain at the agreed minimum level of £1m and that a saving of rent loss and Council Tax charges had arisen following the reduction in void properties.

Councillor N J Rushton stated that authority had dealt with the unplanned 1% decrease well as he was aware that there were other Councils that had found it difficult to deal with and that he was pleased to see that it was forecasted that the loans would be paid back before the deadline.

Councillor R Blunt thanked the Deputy S151 Officer for all her work on her first budget for the authority.

It was moved by Councillor R D Bayliss, seconded by Councillor N J Rushton and

RESOLVED THAT:

A. The Assurance Statement by the Deputy S151 officer be noted,

B. The draft HRA budget proposal, including the 1% rent decrease, as detailed in the report and associated appendices for consultation.

**Reason for decision:** To enable the Council to set a balanced Housing Revenue Account Budget for 2018/19.

**81. CAPITAL PROGRAMMES - GENERAL FUND, COALVILLE SPECIAL EXPENSES AND HOUSING REVENUE ACCOUNT (H.R.A). PROJECTED OUTTURN 2017/18 AND PROGRAMMES 2018/19 TO 2022/23**

The Corporate Portfolio Holder presented the report to Members.

He advised that the report before Cabinet asked Members to note the estimated outturn of capital programmes for 2017/18 and approve for consultation the draft capital programmes for 2018/19 as detailed within appendices. He informed Members that the draft General Fund Capital Programme for 2018/19 was £3.2m and comprised of a number of liabilities identified within the Council's Planned Preventative Maintenance (PPM) schedule as well as a number new budget provisions.

He highlighted that new provisions included the proposal to extend the Linden Way depot and workshop for the purposes of enabling adequate storage of material, waste containers and to allow a workshop suitable for carrying out maintenance on longer refuse vehicles. In addition, it included the acquisition of a new finance system both of which would be subject to separate future Cabinet reports.

He drew Members attention to the draft Special Expenses Capital Programme for 2018/19. The 50k was solely for the purpose of floodlighting at Owen Street football pitch. He also referred to the draft Housing Revenue Account Capital Programme which was £9.9m which included £2.8m to maintain the Decent Homes standard within the housing stock and £3.9m to continue the Council's new build scheme.

Councillor R D Bayliss stated that HRA budget included provision to ensure that improvements to the housing stock could be carried out to ensure that the homes remained at the decent homes standard, along with an additional budget to carry out other maintenance investments outside the decent homes programme. He also highlighted reference to 68 new Council homes listed in the report together with provision that had been made for other schemes including off street parking, major aids and adaptations, and work to ensure all homes were energy efficient and affordable.

It was moved by Councillor N J Rushton, seconded by Councillor R D Bayliss and

RESOLVED THAT:

- A. The estimated General Fund, Coalville Special Expenses and H.R.A. Capital Outturn for 2017/18 and Planned Financing be noted.
- B. The Draft Capital Programmes in 2018/19 detailed in:
- Appendix "A" General Fund Capital Schemes
  - Appendix "B" Special Expense Capital Schemes
  - Appendix "C" HRA Capital Schemes
- And in 2019/20 these schemes only:
- £600,000 for the vehicle replacement programme, as detailed in paragraphs 3.7 to 3.7.7
- be approved for consultation.
- C. The proposed procurement routes in respect of vehicles, equipment and plant be noted and authority to award the contracts, and any associated agreements in furtherance of the projects be delegated to the Strategic Director of Place in consultation with the Portfolio Holder, subject to final approval of the Capital Programmes in February 2018.

**Reason for decision:** To enable projects to be included in the Programmes for consultation.

**82. FORMER TENANT RENT ARREARS, CURRENT TENANT RENT ARREARS, COUNCIL TAX, NON DOMESTIC RATES AND SUNDRY DEBTOR WRITE OFFS**

The Corporate Portfolio Holder presented the report to Members.

The Deputy S151 Officer advised Members that an additional recommendation needed to be approved, as the report was seeking approval to write off a sundry debtor invoice over £10,000 where the company had gone into liquidation with no assets.

It was moved by Councillor N J Rushton, seconded by Councillor A V Smith and

RESOLVED THAT:

- A. The amounts written off under delegated powers be noted.
- B. The write off of the sundry debtor case over £10,000 be approved.

**Reason for decision:** To comply with proper accounting practices.

**83. EXCLUSION OF PRESS AND PUBLIC**

It was moved by Councillor R Blunt, seconded by Councillor N J Rushton and

RESOLVED THAT:

In pursuance of Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the remainder of the meeting on the grounds that the business to be transacted involves the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Act and that the public interest in maintaining this exemption outweighs the public interest in disclosing the information.

**Reason for decision:** To enable the consideration of exempt information.

**84. CONTRACT AWARD FOR THE DELIVERY OF SUSTAINABLE ENERGY IMPROVEMENT TO COUNCIL HOMES**

The Housing Portfolio Holder presented the report to Members.

He advised Members that the report before them was to award the contract to the preferred supplier to ensure that all Council homes were energy efficient and affordable for the tenants.

Councillor T J Pendleton stated that it was timely to move on and looked forward to seeing the improvements.

Councillor R Blunt stated that it was difficult to get tenants into the homes with solid fuel, but added that as with all new technology there could be problems and asked that the Portfolio Holder watched the process carefully and report back to Cabinet the outcome.

It was moved by Councillor R D Bayliss, seconded by Councillor T J Pendleton and

**RESOLVED THAT:**

Authority to award the contract for the delivery of sustainable energy improvements to Council homes be delegated to the Director of Housing in consultation with the Housing Portfolio Holder.

**Reason for decision:** The level of expenditure on this contract exceeds the authority threshold in the Scheme of Delegation and to improve the energy efficiency of the Council's housing stock and address fuel poverty in order to provide tenants with homes which can be heated to comfortable levels at an affordable cost.

The meeting commenced at 5.00 pm

The Chairman closed the meeting at 5.27 pm