

MINUTES of a meeting of the CABINET held in the Board Room, Council Offices, Coalville on
TUESDAY, 6 FEBRUARY 2018

Present: Councillor R Blunt (Chairman)

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

In Attendance: Councillors J G Coxon, D Everitt, T Eynon, J Geary, G Hault, J Legrys,
S Sheahan and M Specht

Officers: Mr J Arnold, Ms T Ashe, Mr G Jones, Mrs M Meredith, Mrs B Smith and
Miss E Warhurst

98. APOLOGIES FOR ABSENCE

No apologies for absence were received.

99. DECLARATION OF INTERESTS

There were no interests declared.

100. PUBLIC QUESTION AND ANSWER SESSION

None received.

101. MINUTES

Consideration was given to the minutes of the meeting held on 16 January 2018.

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

RESOLVED THAT:

The minutes of the meeting held on 16 January 2018 be approved and signed by the
Chairman as a correct record.

102. MEDIUM TERM FINANCIAL STRATEGY

The Corporate Portfolio Holder presented the report to members, explaining that this was the first time the authority had produced a 5 year Medium Term Financial Strategy (MTFS), which was the industry standard. He highlighted the amount of work which had been undertaken to produce the strategy. He drew members' attention to the additional consultation response received from the Federation of Small Business which had been circulated at the meeting. He sought Cabinet's approval of the strategy attached at Appendix 2.

The Corporate Portfolio Holder advised that the MTFS projected a potential drop of £1 million in business rates income from 2021, when the outcome of the Fair Funding review was implemented. He advised that this was the most significant funding change and any transitional arrangements would not be known until the Fair Funding review had progressed. He added that along with the projected loss in revenue support grant and increased cost pressures, the potential drop in business rates was estimated to produce a deficit of £1.4 million in 2021, increasing each year afterwards with a projected balance of surplus and deficits over the 5 year period of £5.3 million. He explained that the strategy also addressed the long term reliance on the New Homes Bonus by setting a self-sufficiency target over the 5 year period of £1.5 million. He added that a new self-sufficiency reserve would be created using the general fund balances of £900,000 and the

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projected outturn from the General Fund of £1.86 million. This fund would be held for the purpose of transforming the organisation, investing in revenue generating commercial initiatives and where necessary, to balance a predicted deficit year. For the first time the MTFs included detail on the Housing Revenue Account and the Capital Programmes to 2023 to enable members of the public to understand the Council's holistic financial position and forecasts. He thanked the officers for their work on producing the strategy.

Councillor R Blunt commented that the approach taken previously was not strategic enough and acknowledged that priorities could be changed overnight. He added that planning for all eventualities was a prudent way forward.

Councillor N J Rushton highlighted that this would be delivered along with a freeze in Council Tax for the coming year.

Councillor R D Bayliss referred to the Housing Revenue Account debt repayment regime which showed that the £78,000,000 borrowed in 2012 as part of the self-financing settlement was being paid in good order which showed sound treasury management and financial controls. He felt this was the hallmark of the Council.

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

RESOLVED THAT:

The Medium Term Financial Strategy be approved.

Reason for decision: Requirement of the budget setting process.

103. GENERAL FUND AND SPECIAL EXPENSES REVENUE BUDGET PROPOSALS FOR 2018/19

The Corporate Portfolio Holder presented the report to members, seeking approval of the General Fund and Special Expenses budgets for 2018/19, the freeze in Council Tax and the creation of a new self-sufficiency reserve using £900,000 of existing reserves and the projected surplus for 2017/18. He referred to the consultation which had taken place following the Cabinet meeting in December and the comments made by Policy Development Group which were attached at Appendix D.

The Corporate Portfolio Holder advised that draft General Fund Budget for 2018/19 showed a projected surplus of £299,000 and the budget for business rates had increased significantly from the budgeted position for 2017/18, with the budget for next year standing at £4.9 million compared to £3.85 million currently, which reflected the massive amount of growth in the district.

The Corporate Portfolio Holder explained that both Council Tax and business rates estimates now included anticipated growth in the district for the budget year, meaning that income over and above the budgeted for position for ourselves and our major precept authorities was received during the year rather than in arrears through the collection fund. This was particularly good news for parish and town councils who would receive Council Tax for new homes for their areas in-year. He advised that in line with Cabinet's decision in January 2017, the Local Council Tax Support Scheme had continued in 2017/18, and town councils would see a phased income reduction of 25% from 2018/19. The draft Special Expenses budget showed a projected surplus of £5,000 for 2018/19 that would be contributed to reserves.

The Corporate Portfolio Holder highlighted that there would be no increase in Council Tax for the ninth year.

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

RESOLVED THAT:

Cabinet recommends to Council:

- a) The assurance statement by the Deputy Section 151 officer be noted
- b) The General Fund Revenue Budget for 2018/19 summarised in Appendix B be approved
- c) The Special Expenses Revenue Budget for 2018/19 as summarised in Appendix C be approved
- d) The district's Council Tax be frozen in 2018/19
- e) £900,000 of General Fund reserves be used to create a new self-sufficiency reserve and the forecasted surplus income over expenditure in 2017/18 be also transferred to the self-sufficiency reserve
- f) The budgeted surplus income over expenditure in 2018/19 be transferred to the self-sufficiency reserve

Reason for decision: To enable the Council to set a balanced budget for 2018/19 as required by statute.

104. HOUSING REVENUE ACCOUNT (HRA) BUDGET PROPOSALS FOR 2018/19

The Housing Portfolio Holder presented the report to members, drawing their attention to the budget proposals set out at Appendix A. He referred to successfully maintaining services whilst there was the ongoing 1% decrease in rental income and the projected surplus for the current year of £338,000 against a budgeted outturn position of £142,000 surplus.

In response to a question from Councillor R Blunt, the Housing Portfolio Holder advised that the loan repayment provision was ahead of targets to repay the maturity loans, the first of which was due for repayment in 2022. He referred to the matrix at Appendix D. The Deputy Section 151 Officer explained that the level of interest paid on the loans would depend on the loan type and the duration of the term, but would be lower for annuity loans and higher for maturity loans.

Councillor N J Rushton congratulated the officers involved on the reductions in debt at the same time that rents were falling.

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

RESOLVED THAT:

The assurance statement by the Deputy Section 151 Officer be noted,

Cabinet recommend to Council:

- a) The decrease in council house rents for 2018/19 by 1% be approved (average of 79 pence per week).
- b) The increase of 3.9% (25 pence per week) in garage rents for 2018/19 be approved.

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- c) Central heating charges for 2018/19 remain at the same level as for 2017/18.
- d) The average increase of 0.40%% (1.6 pence per week) in service charge for 2018/19 be approved.
- e) The ground rent increase at Appleby Magna caravan site of 3.9% (£2.04 per week) on the anniversary of each individual rent agreement in 2018/19 be approved.
- f) The Lifeline charges for private customers be maintained at the 2017/18 level and increased by 3.9% for registered provider customers from April 2018.

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

105. 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, asking that they note the estimated outturn on the Capital Programmes for 2017/18 and approve the Capital Programmes for 2018/19, detailed in Appendices A – C. He also sought members' approval of the Capital Strategy attached at Appendix D, for which approval was an annual requirement alongside the Capital Programme.

The Corporate Portfolio Holder reported that the outturn on the General Fund Capital programme was estimated at £3.8 million against the original budget of £3 million. This movement was as a result of a number of schemes carried forward from 2016/17, net of under spends and slippage of some schemes into the 2018/19 year.

The Corporate Portfolio Holder referred members to the General Fund Capital Programme set out in Appendix A, totalling £3.1 million for 2018/19 and comprising a number of liabilities identified within the Council's Planned Preventative Maintenance (PPM) schedule as well as a number of new budget provisions, a number of which would be subject to further Cabinet approval for the schemes to go ahead. He referred to the Special Expenses Capital Programme for 2018/19 at Appendix B of £50,000 which was solely for the purpose of floodlighting at Owen Street football pitch. He also highlighted the Housing Revenue Account Capital Programme of £10 million at Appendix C, which included £2.8 million to maintain the Decent Homes standard within the housing stock and £3.9 million to continue the Council's new build scheme.

Councillor R D Bayliss highlighted the spending and investment on home improvements, planned improvements and on new build programmes. He commented that along with what members had already heard relating to debt and treasury management, he felt this reflected well on the whole business of the Council. He felt that a great deal of credit was due to officers.

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) Council be recommended to approve the Capital Programmes in 2018/19 detailed in:
 - Appendix "A" General Fund capital schemes

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- 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
- c) The proposed procurement routes be noted and authority be delegated to award the contracts, and any associated agreements in furtherance of the projects, as detailed in section 7 (procurement routes) of this report.
- d) The 2018/19 Capital Strategy included in Appendix D be approved, in line with the prudential code.

Reason for decision: To enable projects to be included in the Programmes and proceed.

106. THE TREASURY MANAGEMENT STRATEGY STATEMENT 2018/19 AND PRUDENTIAL INDICATORS 2018/19 TO 2020/21

The Corporate Portfolio Holder presented the report to members, reminding them that this was an annual report which Cabinet considered before making recommendations to full Council. He advised that the Statement complied with statutory, regulatory and professional requirements, specific roles and responsibilities were identified and the Council utilised the services of an independent treasury adviser. He added that treasury management activity was regularly reported to the Audit and Governance Committee. He explained that this year the strategies and prudential indicators incorporated the Council’s decision to outsource its leisure centres in 2019 and to build a new facility by 2021. The Investment Strategy had also been updated to provide members with more flexibility in adopting a commercial approach going forward.

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

RESOLVED THAT:

The Treasury Management Strategy Statement 2018/19, Prudential Indicators – revised 2017/18 and 2018/19 to 2020/21 and the annual minimum revenue provision statement be recommended for approval by full Council.

Reason for decision: These are statutory requirements.

107. PROPOSED COUNCIL DELIVERY PLAN

The Leader presented the report to members, explaining that the content of the draft delivery plan had been aligned with the Medium Term Financial Strategy and the format had been updated to make it more engaging to readers. He added that the draft plan had been considered by Policy Development Group and the minutes were attached at Appendix 2. The final version would be considered by full Council on 23 March 2018.

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

RESOLVED THAT:

- a) The proposed Council Delivery Plan for 2018/19 be considered and noted together with comments from Policy Development Group.
- b) Subsequently endorses the plan’s content be endorsed and recommended to Council for approval on 20 March 2018.
- c) The Chief Executive be authorised, in consultation with the Leader of the Council, to make any final amendments to the plan prior to Council on 20 March 2018.

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Reason for decision: To endorse the Council Delivery Plan for 2018/19 prior to Council's consideration.

108. REVIEW OF HOUSING POLICIES

The Housing Portfolio Holder presented the report to members, drawing their attention to the list of proposed changes to the policy and the reasons for the changes as set out in Appendix 1.

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

RESOLVED THAT:

The revised Allocations Policy and Former Tenants Arrears Policy be approved.

Reason for decision: To seek Cabinet approval for the revised policies.

109. INTRODUCTION OF PUBLIC SPACE PROTECTION ORDER IN RELATION TO DOG CONTROL (PSPO)

The Community Services Portfolio Holder presented the report to members, outlining the proposed introduction of Public Space Protection orders to tackle dog fouling. She highlighted the previous success officers had had with innovative campaigns such as Dog Watch and undertaking educational talks at schools and hotspot areas. She added that enforcement action had complemented this approach with the use of CCTV surveillance, however in order for enforcement to be effective, it was necessary to have the legal framework in place.

The Community Services Portfolio Holder referred to the public consultation undertaken which supported the conversion to the new Public Spaces Protection Orders and the introduction of a new measure of "means to pick up" after dogs. She made reference to the transition process as set out in the report and emphasised the importance of this piece of work which would further enhance powers to tackle dog handling. She supported the proposals and commended the officers involved.

Councillors T Gillard and R Blunt commented that this was a recurring issues and welcomed the proposals.

It was moved by Councillor A V Smith, seconded by Councillor T Gillard and

RESOLVED THAT:

The introduction of a Public Space Protection Order in relation to dog control across the administrative area of North West Leicestershire District Council be approved.

Reason for decision: A change in national legislation.

110. DESIGNATION OF KEGWORTH CONSERVATION AREA

Councillor T J Pendleton presented the report to members, seeking their endorsement of the designation of the Kegworth Conservation Area. He referred to the public consultation which had been undertaken and highlighted the positive response received as set out in Appendix 3 of the report.

Councillor R Blunt commented that building the bypass provided an opportunity to stop the blight on this market town caused by traffic. He hoped the renewal of the conservation

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area along with other efforts would make the residents of Kegworth proud of their town centre again. He expressed support for any future initiatives to celebrate the town centre.

Councillor T J Pendleton added that the bypass would significantly improve the current air quality issues in the area.

It was moved by Councillor T J Pendleton, seconded by Councillor A V Smith and

RESOLVED THAT:

The designation of the Kegworth Conservation Area be approved.

Reason for decision: Designation of the Kegworth conservation area would support the aims of the Council Delivery Plan relating to sustainable development and growth and people feeling proud of their homes and communities and support the Council in fulfilling its duties under the Planning (Listed Buildings and Conservation Areas) Act 1990 ("the 1990 Act") relating to the designation and review of conservation areas.

111. **AUTHORITY FOR ADDITIONAL SPEND TO COMPLETE THE DIGITAL TRANSFORMATION PROJECT**

The Corporate Portfolio Holder presented the report to members, which sought support for the ongoing transformation programme to improve online services for customers. He highlighted the benefits in terms of cost savings and staff time of online customer interaction.

It was moved by Councillor N J Rushton, seconded by Councillor T J Pendleton and

RESOLVED THAT:

- a) The additional allocated funds of £48,000 from reserves and the variation of the delivery contract with Firmstep to include the items set out in paragraph 2.3 be approved to ensure phase one of the programme is delivered.
- b) The allocated funds totalling between £155,000 - £180,000 be approved for phase two of the programme to be delivered, and that this expenditure be attributed to the Housing Revenue Account (51.5% of cost) and General Fund reserves (48.5% of cost)
- c) Authority be delegated to the Director of Housing in consultation with the Corporate Portfolio Holder to award a contract to Firmstep through the G-Cloud framework for the delivery of phase two.
- d) It be noted that further updates will be brought to Cabinet as the programme progresses.

Reason for decision: To ensure Members are aware of the additional cost to complete Phase One and the cost to complete Phase Two.

The additional costs takes the contract value above the £100,000 threshold which requires Cabinet approval.

Without the additional investment to complete Phase One, this would jeopardise the scheduled "go live" date of 19 April 2018, as well as non-completion of online services for key areas, where efficiency savings are to be made.

Without the additional investment to complete Phase One, this would cause a delay in the launch of the new internet web site, as both projects are intrinsically linked to provide an improved customer experience, which is part of the customer first strategy.

To authorise the procurement of Firmstep to deliver Phase Two of the Digital Transformation Programme.

112. MINUTES OF THE COALVILLE SPECIAL EXPENSES WORKING PARTY

The Community Services Portfolio Holder presented the report to members, highlighting the delivery of Christmas in Coalville, the progress made on the commemorative artwork in Memorial Square, the works and improvements to Owen Street floodlights, the installation of the mobile vehicle activated cameras, the success of the funding application to improve the facilities at Coalville Forest Adventure Park and the work on the Green Flag accreditation for Coalville Park. She thanked the Working Party for their continued hard work on projects in the Coalville area.

The Community Services Portfolio Holder expressed support for the request for additional funding of £5,000 towards the Coalville Commemorates project as this was an important project and would be a district wide commemoration of the end of World War 1.

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

RESOLVED THAT:

The recommendations made by the Coalville Special Expenses Working Party as summarised at section 3.0 of the report be approved, including the request for £5,000 additional funding towards the Coalville Commemorates project.

Reason for decision: To progress Coalville Special Expenses projects and programmes.

The meeting commenced at Time Not Specified

The Chairman closed the meeting at 5.39 pm