

SOUTH RIBBLE BOROUGH COUNCIL**COUNCIL MEETING – 5th March 2014****REPORT OF THE CABINET**

The Cabinet met on the evening of Wednesday 12th February 2014.

On that occasion, the Cabinet considered the matters set out below. Decisions shown in boxed areas are subject to Council confirmation; the reports considered by the Cabinet were available to all members in advance of the Cabinet meeting.

1. My Neighbourhood Plans

The Cabinet member for Regeneration, Leisure & Healthy Communities introduced this item which reminded members that in February 2012 the Council had introduced five My Neighbourhood Plans across the Borough. These plans each had ten projects on local priorities set after consultation. The My Neighbourhood Plans contained a mixture of projects - high and low cost, long and short term delivery, and a mix of capital works and community based non capital schemes.

The report detailed the progress made on the plans over the last twelve months and on the projects delivered in all of the My Neighbourhood Areas. The plans had now been refreshed in line with the completed projects and feedback from residents and community groups and were now submitted for approval.

The Cabinet member for Regeneration, Leisure & Healthy Communities commented on the good work of the My Neighbourhoods in spite of the limited resources. Members generally commented on how well the My Neighbourhoods were working, with good exchange of views at the community meetings and the opportunity to use money to lever in other funds for the benefit of the communities.

In response to a question concerning the removal of the reopening of the Midge Hall Railway Station from the Leyland Plan, the Cabinet member for Regeneration, Leisure & Healthy Communities commented that the Leyland plan was drawn up by Leyland Councillors, but that the Council was supportive of the reopening of the Railway Station and had made its views known in its comments on the County Council's Transport Master plan and that this position had not changed.

It was decided that the Council be recommended to approve the 2014-2015 My Neighbourhood Plans.

2. Waste Management Cost Sharing Agreement

The Cabinet member for Neighbourhoods & Street Scene reported that, through the Lancashire Waste Partnership, districts received cost sharing payments from Lancashire County Council (LCC) as an alternative to the previous system of recycling credits. All districts took the opportunity to switch to cost sharing in 2004, except one which remained on the recycling credit option.

In September 2012, LCC offered a revised cost sharing option to the districts but would not state its position in relation to recycling credits. It was considered that an informed decision could not be taken at that stage without the recycling credit information.

LCC had now approved a policy and provided information on recycling credits and the report provided details and proposed a way forward.

The report also detailed the proposed contract period for the new waste contract as the Council's partnering contract with Enterprise (now Amey) would expire in June 2015 and preparation for the procurement process was now underway with a new Waste Contract Member Group having been set up.

The Cabinet member for Neighbourhoods & Street Scene expressed his concern at the length of time this matter had taken to get to this position and to the unhelpful way that the county council had behaved towards the Council.

Members expressed their dismay at the way the county council had sought to arbitrarily terminate the cost sharing contract one year early and impose a new one which was detrimental to the Council.

In response to a question relating to the risk to the Council of not signing, it was confirmed that, in spite of the way county council had gone about this, it would be an extremely risky strategy not to go forward with the new contract

Concern was expressed about the long term impact on how recycling would be treated by the county council and it was suggested that the Waste Member Group should take this into account when deciding on the new contract.

It was also suggested that, in view of the current uncertainty over the future of recycling, the risk register, which was to be considered later in the meeting, should be amended to reflect this increased risk and the target in the Corporate Plan reviewed

It was decided that:-

1. The Council be recommended to:

(a) Accept the revised Cost Sharing Agreement.

(b) Delegate authority to the Director of Neighbourhoods, in consultation with the Deputy Leader, Cabinet Member for Neighbourhoods and Streetscene, to agree the final terms and conditions of the revised Cost Sharing Agreement.

2.. The contract period for the new waste contract be set as 7 years with extension options of up to 7 years (14 years in total).

3. Long Term Empty Properties

The Cabinet member for Strategic Planning & Housing introduced this item which reported that, in September 2013, the Council had adopted a new Empty Homes Policy in order to reduce the number of long term empty homes in the borough, improve housing supply and tackle issues relating to property nuisance.

Reducing the level of Council Tax discount and implementing premiums on long term empty properties should result in a significant number of these properties being brought back into use and thereby support the Council's Empty Homes Policy.

The Cabinet member for Regeneration, Leisure & Healthy Communities expressed his support for this policy and referred to the lack of affordable houses and proposed that all the additional income to this Council generated by this proposal should be ring fenced for affordable housing and that the agreement to do the same be sought from all Precepting Authorities.

The Cabinet member for Strategic Planning & Housing and other members accepted the proposed additional recommendation to the report.

It was decided that the Council, with effect from the 1st April 2014, be recommended to:-

1. Maintain the Empty dwellings under-going major repair (Former Class A) at 100% Discount for 12 months;
2. Maintain the Empty and unfurnished dwellings (Former Class C) at 100% Discount for 6 months;
3. Remove the Long Term Empty Property Discount for properties which have been empty (No one's sole or main residence) for a period greater than 6 months and providing the property is not subject to a prescribed class of exemption. (Therefore a property which has been empty for a period longer than six months would pay 100% of the charge levied on an occupied dwelling);
4. Levy a premium of 50% upon Long Term Empty Properties where a period of 2 years has elapsed since the property was last occupied unless exempted as detailed in this report. (Therefore a property which has been empty for a period longer than two years would pay 150% of the charge levied on an occupied dwelling);
5. Note that recommendations 3 & 4 support and will assist with South Ribble Borough Council's "Empty Homes Policy" and encourage owners to work with the Council to bring these properties back into use;
6. Ring fence all the additional income to this Council from the Council Collection Fund generated by this policy, and seek the agreement of all Precepting Authorities for all additional income to be retained by South Ribble Borough Council for the provision of affordable housing.

4. Supplement for Lower Graded Posts

The Leader of the Council introduced this report on the implications of adopting the Living Wage for Council employees.

The report recognised that the Council had employees that were paid above the national minimum wage of £6.31 per hour, but below the Living Wage of £7.65 per hour, and proposed the introduction of a supplement to lower-graded posts to bring them in line with the Living Wage and to link the supplement to any changes in the Living Wage.

In response to a question the Leader explained that introducing a supplement would negate any impact on other grades and therefore not lead to a general increase in wage levels.

It was decided that the Council be recommended to:-

1. Adopt, with effect from 1 April 2014, a supplement for lower graded posts as set out in the report and that any re-calculation of the supplement be implemented annually on the 1st April, following any review of the £7.65 (as used by the Living Wage) in the previous November.
2. That the Council's Pay Policy for 2014/15 be amended accordingly.

5. Business Rate Discretionary Retail Relief Policy

The Cabinet member for Shared Services & Corporate Support reported that the Chancellor of the Exchequer, as part of the Government's Autumn Statement, had announced a number of measures with regard to Business Rates, one of which was to provide a discount of £1000 for shops, pubs and restaurants with a rateable value of £50,000 or below for two years up to the state aid limits, from 1 April 2014.

The government had undertaken to fund the proposed measures but, as the discount was to be delivered through local authorities' local discount powers, the Cabinet member introduced a report that proposed a policy to implement this.

Members welcomed the proposals and the Cabinet member for Shared Services & Corporate Support, in response to a question, confirmed that, as the discounts had to be applied for, appropriate publicity would be provided.

It was decided that the Council be recommended to:-

1. Approve the policy in as set out Appendix A with effect from 1st April 2014 and to expire on the 31st March 2016;
2. Approve delegated authority for the Revenues + Manager or responsible officer to decide upon any application for this relief made under this policy taking into account the contents of this policy, the Council's priorities and policies and in addition the Advice provided by the Department for Communities and Local Government's "Retail Relief - Guidance" booklet.

6. Senior Management Team – Restructure

The Leader of the Council introduced this report which proposed changes to the senior management structure that would lead to a greater focus on our corporate priorities and enable the Council to take advantage of emerging opportunities, such as those presented by the Preston, South Ribble and Lancashire City Deal (City Deal). The proposed changes also provided a platform from which further service transformation and rationalisation could take place as the Council continued to improve value for money for council tax payers and address the reductions in government grant funding.

It was decided that the Council be recommended to:-

1. Approve the revised senior management structure, as detailed at Appendix B to the report, to take effect from 1 April 2014;
2. Designate the Director of Governance & Business Transformation as the Council's Monitoring Officer with effect from 1 April 2014;
3. Delegate authority to the Chief Executive in consultation with the Leader and Chair of the Governance Committee to make any necessary changes to the Council's Constitution as a result of the new structure;
4. Amend the Council's Pay Policy for 2014/15 accordingly.

7. Corporate Plan, Budget and Risk Register 2014/15

(a) Corporate Plan and Corporate Risk Register 2014/2015

The Leader of the Council introduced this item which reported that the Council's Corporate

Plan had been agreed by the Council in September 2011 following extensive engagement with councillors after the last council elections. The Corporate Plan had been re-freshed on an annual basis to ensure it remained fit for purpose and included all the key actions and measures to ensure the Council achieved its vision and priorities and continued to improve.

Feedback from residents, councillors, employees, Cabinet and the Scrutiny Committee had been used in re-freshing the Corporate Plan and the main changes were around the City Deal, emerging health agenda, implementation of My Neighbourhood Plans and the targets.

The report included an updated Corporate Risk Register (CRR) for 2014/15 which sat alongside the Corporate Plan, and was considered by the Scrutiny Committee, Governance Committee and Cabinet on a six-monthly basis. Outcomes from the key actions contained in the Corporate Plan mitigated the risks identified in the Corporate Risk Register.

The Leader proposed that, in view of the discussions on the Waste Collection Service at Minute 51 above, the risk level should be reconsidered as High and the targets reviewed.

It was decided that the Council be recommended to agree, as amended, the Corporate Plan as set out in Appendix 1 to the report and Corporate Risk Register 2014/2015 as set out in Appendix 2 to the report.

(b) Financial Strategy, Budget and Council Tax 2014/15

The Cabinet member for Finance & Resources introduced this report which provided background information that would need to be taken into consideration in determining the Council's forward financial strategy and, specifically, budget and council tax setting for 2014/15. The Medium Term Financial Strategy (MTFS) recognised the priorities set out in the Corporate Plan and risks identified through the corporate risk assessment processes. The MTFS recognised the continued and significant uncertainty surrounding core government grant funding.

The Cabinet member for Finance & Resources referred members to the proposal to freeze Council Tax again and to the ongoing work throughout the year continually reviewing the budget which enabled the Council to continue to fund such areas as Community Safety and Domestic Violence.

He also referred to the Council's ability to support City Deal which would deliver new homes businesses and employment.

The Cabinet Member acknowledged the budget shortfall and the work that was ongoing to manage it and referred to the continuing uncertainty in the areas of business rate retention and new homes bonus, but he also pointed out the opportunities now presented and proposed some amendments to the report which would provide funding for master planning for new sites, increased funding for street furniture, a programme of various capital works under the public open space programme and the bringing forward of the capital budget for Penwortham regeneration from 2016/17 to 2014/15.

The Cabinet member for Regeneration, Leisure & Healthy Communities congratulated the Cabinet member for Finance & Resources and the officers on looking after the finances so effectively which enabled Cabinet to continually review and change things and welcomed the new opportunities now identified, in particular bringing forward the regeneration of Penwortham.

The Deputy Leader and Neighbourhoods & Street Scene commented in support of the budget presented that this was the fifth Council Tax freeze running in contrast to the County Council and the Police Authority and it was unfortunate that this council's freeze would go unnoticed because of others' increases.

It was decided that:-

Revenue Estimates

1. That Cabinet approve the council's revised estimates for 2013/14, the original estimate for 2014/15 and indicative original estimates for 2015/16 through to 2017/18, summarised at Appendix A to the report.
2. That Cabinet endorse the assessment on the level of reserves and thus the proposed one-off transfer of funds in 2013/14 from the General Reserve to Earmarked Reserves as set out in Section C in the report.
3. That Cabinet approve Appendix E of the report and the proposals designed to further improve efficiency/increase income and reduce the forecast budget deficit.
4. That Cabinet recommend to Council that the forecast residual revenue funding deficit in 2014/15 (£0.132 million) be addressed through making appropriate contributions from the General Fund Reserve, whilst recognising that this figure may need to be revised when the Government announces the final Local Government Finance Settlement figures for 2014/15 in advance of the Council meeting on 5th March 2014.
5. That, subject to the inclusion amendments referred to above, Cabinet recommend a Borough Council Net Expenditure requirement for 2014/15 (including parish/town council precepts) for approval at the Council meeting on 5th March adequate to support the delivery of the MTFS.
6. That the Chief Executive be authorised to deal with all staffing issues arising from the report within the agreed budget and in accordance with the Council's human resources policies. This will be done in consultation with the Leader and, in her absence, the Deputy Leader and the Cabinet member with responsibility for Finance and Resources and, as appropriate, other relevant Cabinet Members.

Council Tax

7. That Subject to consideration of recommendations 1-6 above, Cabinet recommend the Borough Council's Band D equivalent Council Tax for 2014/15, for approval at the Council meeting on 5th March 2014, remain at the same level as for 2013/14 being £208.38. This will entitle the Council to receive an estimated Council Tax Freezing Grant in the sum of £70,000. This amount will be received in 2014/15 and 2015/16 making a total receipt of £140,000 over these two years only.
8. That the Council determine the reduction in Council Tax support applicable to working age claimants with effect from 1 April 2014.

Capital Programme and Budget

9. That the Capital Programme, as now amended, as set out at Appendix F and its proposed funding be approved.

8. Treasury Strategy 2014/15 to 2015/16

The Cabinet member for Finance & Resources introduced a report which set out the prudential indicators and treasury strategy for the years to 2016/17.

He informed Cabinet that there were no changes to the Strategy but brought to members' attention the current improved situation with regard to the Icelandic Investments and members welcomed the latest news.

It was decided that:-

(1) the Council be recommended to approve :-

- a) The Prudential Indicators for 2014/15 to 2016/17;
- b) The Treasury Management Strategy and Treasury Prudential Indicators for 2014/15;
- c) The Annual Investment Strategy 2014/15;
- d) The Annual Minimum Revenue Provision (MRP) Policy Statement 2014/15.

2. In accordance with the Business Improvement Plan for Shared Financial Services, a renewal or extension process for the treasury management services contract, taking into account procurement policies and an assessment of the specialist market be undertaken.

9. The Cabinet's Forward Plan

It was decided to approve the Forward Plan submitted under section 22 of the Local Government Act 2000.

I hereby commend the report of the Cabinet to the Council.

COUNCILLOR MRS MARGARET SMITH

LEADER OF THE COUNCIL