

**CABINET
14TH FEBRUARY 2019**

PRESENT: The Leader (Councillor Morgan)
 The Deputy Leader (Councillor Barkley)
 Councillors Bokor, Harper-Davies, Poland,
 Rollings, Taylor and Vardy

Councillor Capleton
Councillor Miah

Chief Executive
Strategic Director of Corporate Services
Head of Strategic Support
Head of Strategic and Private Sector Housing
Head of Customer Experience
Head of Finance and Property Services
Democratic Services Officer (LS)

APOLOGIES: Councillors Mercer and Smidowicz

The Leader stated that this meeting would be recorded and the sound recording subsequently made available via the Council's website. He also advised that, under the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, other people may film, record, tweet or blog from this meeting, and the use of any such images or sound recordings was not under the Council's control.

79. DISCLOSURES OF PECUNIARY AND PERSONAL INTERESTS

The following disclosures were made:

- (i) Councillor Morgan – a non-pecuniary interest in item 8 on the agenda (Council Tax – Amendments to the Empty Homes Premium and Exemptions). Councillor Morgan stated that he was a trustee of a property fund, but not a beneficiary.
- (ii) Councillors Barkley, Poland, Morgan and Taylor – non-pecuniary interests in item 7 on the agenda (Lightbulb Service Implementation Update) as Leicestershire County Councillors.

80. LEADER'S ANNOUNCEMENTS

The Leader and others present wished to congratulate Councillor Vardy on his engagement to be married.

81. MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on 17th January 2019 were confirmed as a correct record and signed.

82. QUESTIONS UNDER CABINET PROCEDURE 10.7

No questions had been submitted.

83. BUDGET SCRUTINY PANEL

Considered a report of the Head of Strategic Support to consider the findings and recommendation of the Budget Scrutiny Panel, alongside officer advice and a recommendation in response (item 6 on the agenda filed with these minutes).

Councillor Miah, Chair of the Scrutiny Management Board and the Budget Scrutiny Panel, presented the report and the Panel's recommendation. The Strategic Director of Corporate Services presented the officer recommendation and advice in response.

The Head of Strategic Support assisted with consideration of the report.

The Leader wished to thank the Panel for its valuable scrutiny of the matter.

RESOLVED that the Panel's view that there should be a statement in the next Medium Term Financial Strategy regarding the Council's future approach to the need for further savings or income generation and the use of reserves be agreed.

Reason

To enable a context to be provided for future decision making and inform scrutiny of the Council's budgets and other financial matters.

84. LIGHTBULB SERVICE IMPLEMENTATION UPDATE

Considered a report of the Head of Strategic and Private Sector Housing to consider both an update on the Lightbulb Service model and the continuation of the Lightbulb Service in Charnwood (item 7 on the agenda filed with these minutes).

Councillor Capleton, Chair of the Overview Scrutiny Group, presented a report detailing the Group's pre-decision scrutiny of the matter and recommendation (copy filed with these minutes).

The Head of Strategic and Private Sector Housing assisted with consideration of the report.

RESOLVED

1. that the implementation, review and performance of the Lightbulb Service model in Charnwood be noted;
2. that participation in the Lightbulb Service Model, for a period of 3 years with a possible 2 year extension (ie. financial years 2019-2020 to 2023-2024) be agreed;

3. that Option 2 at a cost of £127,525 for 2019-2020 be approved, this being capital expenditure financed through the Disabled Facilities Grant;
4. that if there are any significant changes to costs or Government funding during the agreement period, Charnwood's participation in the Scheme will be reviewed and a report brought back to Cabinet;
5. that the report of the Overview Scrutiny Group be noted.

Reasons

1. To enable Cabinet to understand the performance and the benefits of the model to residents of the Borough.
- 2.&3. To enable Cabinet to agree the continuation of the Lightbulb Service Model, following presentation of the Lightbulb Business Case, internal review and the method of funding.
4. To allow reconsideration if Government funding is withdrawn or reduced or the costs of the Scheme to Charnwood alter significantly.
5. To acknowledge the work undertaken by and the views of the Overview Scrutiny Group.

85. COUNCIL TAX - AMENDMENT TO THE EMPTY HOMES PREMIUM AND EXEMPTIONS

Considered a report of the Head of Customer Experience to consider amendments to the Empty Homes Premium and to relief offered on properties which are unoccupied, unfurnished and uninhabitable, also the introduction of a Care Leavers Policy to offer Council Tax relief, for recommendation to Council (item 8 on the agenda filed with these minutes).

The Head of Customer Experience assisted with consideration of the report.

RESOLVED

1. that the proposed amendments to the Council Tax Empty Homes Premium and the relief offered on properties which are unoccupied, unfurnished and uninhabitable, and the dates of introduction of amendments, as set out below, **be recommended to Council:**

Empty homes Premium

Length of time property empty	Additional Premium
2 - 5 years (introduce from 2019)	100%
5 - 10 years (introduce from 2020)	200%
10 years+ (introduce from 2021)	300%

Unoccupied, unfurnished and uninhabitable properties

Amend current discount for properties which are unoccupied, unfurnished and uninhabitable from 50% for 12 months to 100% for 6 months – effective from 1st April 2019;

2. that the introduction of the Charnwood Care Leavers Policy, as set out in Appendix A of the report of the Head of Customer Experience, **be recommended to Council.**

Reasons

1. To increase the incentives for bringing empty properties back into use from 1st April 2019.
2. To facilitate the introduction of the Charnwood Care Leavers Policy from 1st April 2019, to support those leaving the care system and moving to independent living in line with all other Local Authorities in Leicestershire.

86. GENERAL FUND AND HRA REVENUE BUDGETS 2019/20

Considered a report of the Head of Finance and Property Services to consider the proposed General Fund and Housing Revenue Account (HRA) Revenue Budgets for 2019/20, incorporating the proposed Council Tax levy, and the 2019/20 proposals to increase rent and service charges within the ring fenced Housing Revenue Account, for recommendation to Council (item 9 on the agenda filed with these minutes).

The Head of Finance and Property Services assisted with consideration of the report. Further to the report, she outlined minor amendments to the draft budget set out and the reasons for those.

RESOLVED that Council be recommended:

1. to approve the Original General Fund Revenue Budget for 2019/20 at £16,954,156 as set out in Appendix 1 to the report of the Head of Finance and Property Services;
2. to set a base Council Tax at £122.09 at Band D, an increase of £5 on the 2018/19 rate;
3. to set the Loughborough Special Levy at £74.97, no increase on 2018/19 rate, as set out in Appendix 3 to the report of the Head of Finance and Property Services;
4. to approve the following items to the Loughborough Special Levy:
 - Funding for the costs of opening Biggin Street, Loughborough toilets on a Friday, ongoing £4.4k
 - Funding for Voluntary and Community Grants within Loughborough, on an ongoing basis £20k
 - Contribution towards Open Spaces grounds maintenance work in Loughborough, to be reviewed each year £120k;

5. to approve the Original HRA Budget for 2019/20 as set out in Appendix 5 to the report of the Head of Finance and Property Services;
6. to amend the HRA weekly rents in line with the Ministry of Housing, Communities and Local Government (MHCLG) guidance;
7. to approve that the non-HRA dwelling properties retain their current rents as charged in 2018/19;
8. to approve the HRA service charges in accordance with the MHCLG Guidance;
9. to approve that the shop rents retain their current rents in accordance with an assessment by the Valuation Office;
10. to approve that garage rents are increased by 2.49% in accordance with the assessment by the Valuation Office;
11. to approve that the Leasehold Management and Administration charge increases to £113.06 per annum;
12. that the Lifeline weekly charge is increased in line with MHCLG Guidance;
13. to determine that the basic amount of Council Tax for 2019/20 is not excessive according to the principles set out by the Secretary of State;
14. that delegation be given to the s151 Officer, in conjunction with the Cabinet Lead Member for Finance and Property, to amend this report for Council in line with the final settlement and updated NNDR figures.

Reasons

1. So that the necessary finance is approved to carry out services in 2019/20.
2. So that the Council Tax can be set in accordance with legal and statutory requirements.
3. So that a Loughborough Special Levy can be set in accordance with legal and statutory requirements.
4. To enable items to be added to the Loughborough Special Rate in:
 - Opening Biggin Street toilets (Loughborough) on a Friday on an ongoing basis;
 - Funding for Voluntary and Community Grants within Loughborough on an ongoing basis;
 - Contribution towards costs for Open Spaces grounds maintenance work in Loughborough to be reviewed on an annual basis.
5. To ensure sufficient funding for the Housing Revenue Account in 2019/20.

6. To comply with social housing rents guidance which, for 2019/20, is a 1% reduction in rents payable by tenants.
7. To reflect the greater flexibility for rental options for non-HRA dwellings.
8. To ensure the correct alignment of costs and service charges for tenants in accordance with best practice.
9. So that shop rents follow the assessment and guidance provided by the Valuation Office.
10. To increase the rent generated for garages in line with the guidance from the Valuation Office.
11. So that there is sufficient recovery of the costs associated with operating the leasehold flat and shop services.
12. So that there is sufficient recovery of the costs associated with operating the Lifeline service.
13. To comply with the requirements of the Local Government Finance Act 1992.
14. To update the budget report in line with final settlement figures once these are received.

87. CAPITAL STRATEGY (INCLUDING TREASURY MANAGEMENT STRATEGY)
2019/20

Considered a report of the Head of Finance and Property Services to consider a Capital Strategy, newly required under the Prudential Code, also the Treasury Management Strategy Statement together with the Annual Investment Strategy and Minimum Revenue Provision (MRP) Policy for 2019/20, for recommendation to Council (item 10 on the agenda filed with these minutes).

Councillor Capleton, Chair of the Overview Scrutiny Group, presented a report detailing the Group's pre-decision scrutiny of the matter (copy filed with these minutes).

The Leader wished to thank the Overview Scrutiny Group for its valuable work in undertaking pre-decision scrutiny.

The Head of Finance and Property Services assisted with consideration of the report.

RESOLVED

1. that the Capital Strategy, as set out at Appendix A to the report of the Head of Finance and Property Services, be approved **and recommended to Council**;
2. that the Treasury Management Strategy Statement, Annual Investment Strategy and Minimum Revenue Provision Policy, as set out in Appendix B to the report of

the Head of Finance and Property Services, be approved **and recommended to Council**;

3. that the Prudential and Treasury Indicators, also set out in Appendix B to the report of the Head of Finance and Property Services, be approved **and recommended to Council**;
4. that the report of the Overview Scrutiny Group be noted.

Reasons

1. To enable the Council to comply with the statutory code of practice issued by CIPFA: 'The Prudential Code for Capital Finance in Local Authorities, 2017 Edition'.
2. To ensure that the Council's governance and management procedures for Treasury Management reflect best practice and comply with the CIPFA Treasury Management in the Public Services Code of Practice, Guidance Notes and Treasury Management Policy Statement.
3. To ensure that funding of capital expenditure is taken within the totality of the Council's financial position and that borrowing and investment is only carried out with proper regard to the Prudential Code for Capital Finance in Local Authorities.
4. To acknowledge the work undertaken by and the views of the Overview Scrutiny Group.

88. REGULATION OF INVESTIGATORY POWERS ACT - POLICY AND REVIEW OF USE DURING 2018

Considered a report of the Head of Strategic Support to consider approving a Regulation of Investigatory Powers Act (also known as RIPA, or the 2000 Act) Policy, and consider a summary of the use of RIPA during 2018 (item 11 on the agenda filed with these minutes).

The Head of Strategic Support assisted with consideration of the report.

RESOLVED

1. that it be noted that there has been no use of RIPA by the Council during the calendar year 2018;
2. that the Audit Committee be requested to continue its responsibility for receiving a quarterly report on the use of RIPA, and to report to Cabinet any concerns arising from those reports that may indicate that the use of RIPA is not consistent with the Policy or that the Policy may not be fit for purpose;
3. that the updated RIPA Policy Statement, attached as an appendix to the report of the Head of Strategic Support, be approved.

Reasons

1. To ensure compliance with the requirements of the Home Office's current 'Code of Practice – Covert Surveillance and Property Interference' relating to the involvement of elected Members in approving the RIPA policy and reviewing the Council's use of RIPA on at least an annual basis.
2. To ensure compliance with the requirements of the Home Office's latest 'Code of Practice – Covert Surveillance and Property Interference' relating to elected Members considering reports on the use of RIPA on at least a quarterly basis to ensure that it is being used consistently with the policy and the policy remains fit for purpose.
3. To ensure that the Council's RIPA Policy Statement remains up to date and consistent with the relevant legislation and codes of practice.

NOTES:

1. The decisions in these minutes not in the form of recommendations to Council will come into effect at noon on 22nd February 2019 unless called in under Scrutiny Committee Procedure Rule 11.7.
2. No reference may be made to these minutes at the Council meeting on 25th March 2019 unless notice to that effect is given to the Democratic Services Manager by five members of the Council by noon on 22nd February 2019.
3. These minutes are subject to confirmation as a correct record at the next meeting of the Cabinet.