

**CABINET  
7TH MAY 2020**

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

Councillor Draycott

Chief Executive  
Strategic Director of Corporate Services  
Head of Strategic Support  
Head of Planning and Regeneration  
Information Development Manager  
Democratic Services Manager  
Democratic Services Officer (LS)

APOLOGIES: None

The Leader stated that this virtual meeting was being livestreamed as a public meeting and would also be recorded and the 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.

97. DISCLOSURES OF PECUNIARY AND PERSONAL INTERESTS

Councillor Morgan declared a pecuniary interest in item 7 on the agenda (Insurance Arrangements) as a Director of the Local Government Mutual (LGM) and would leave the meeting during the consideration of the item.

98. LEADER'S ANNOUNCEMENTS

The Leader made the following announcement:

Coronavirus Pandemic

"This has been an extraordinary few weeks and unlike any period that any of us have lived through. Nationally and locally we have been tested. Many of our families, colleagues and residents have been struck down by the virus, several have been admitted to hospital and I'm afraid some have not survived. But the crisis is not over yet, it may barely in fact have begun. We must adapt and find a way to live with it over the coming months. It is clear that online public meetings like this one will be the new standard. We will not be holding meetings at Southfields until the crisis has passed and it is safe for all colleagues, including the most vulnerable, to be together again. Until then, as every part of the Council adapts to a new way of supporting residents and delivering services, its democratic structures must change too, to ensure the

same rigour, scrutiny and quality of debate whilst remaining accountable and transparent. So finally, along with Cabinet colleagues and beyond, I would like to pay my thanks to the Chief Executive, his officers and the Council's contractors for the support they have given to residents and businesses across Charnwood over the past few weeks. They have been outstanding and have made a significant difference to so many lives. So, thank you”.

99. MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on 12th March 2020 were confirmed as a correct record.

100. QUESTIONS UNDER CABINET PROCEDURE 10.7

A. Councillor Draycott – Commercial Property Investment

“Revenue Budget 2020/21 – Commercial Property Investment and New Post

Would the Leader inform Cabinet of the progress on both these matters which were important factors in the Budget agreed by Councillors in February?

Also, does the review by MPs on councils using the public purse in this way change/affect this strategy?”

The following response had been published prior to the meeting:

*The Council is committed to becoming a more commercial and entrepreneurial organisation – and this is probably now even more important given the economic conditions facing us. This will be achieved through a variety of means but a key factor will be the Strategic Director of Commercial Development role. The new postholder will provide leadership, commercial acumen and experience to the Council. The post has been appointed to and Justin Henry will be joining the Council on June 29th.*

*Whilst the economic context has changed there will remain opportunities for commercial investment, and we need to be able to respond these effectively. Furthermore, the role will be essential in supporting the Councils efforts on economic, community and organisational recovery. A specific focus on our assets and buildings will be an early priority.*

*The review by MPs will be interesting and its outcomes will be factored into our strategic approach to commercial investments.*

In asking a supplementary question/making a statement, Councillor Draycott thanked the Leader and officer for the response. She stated that the new post was critical to the Council in continuing to deliver services and maintain staff during this financial year. The response provided indicated a change to the job description for the post towards leading in the coronavirus recovery programme and not as agreed by Council to find commercial opportunities to bring in vital income, that income now being needed even more. The Government had helped the Council with funding over the period of Covid-19, but not sufficiently to cover total increased expenditure. The Local

Government Association considered that 3 to 4 times more would be needed by councils. Therefore, when would councillors have full oversight of current budgets, noting that the first Cabinet report was not scheduled until July, could this be earlier and would the new job description for the new post and salary costs be made available to members?

The Leader asked the Chief Executive to respond, referencing in particular the report on coronavirus recovery due to be considered by Cabinet. The Chief Executive stated that that report was scheduled for consideration by Cabinet on 4th June 2020, with the Scrutiny Commission having the opportunity to scrutinise that. He added that the job description for the new post was as approved and was a matter for the Chief Executive rather than Council. The commercial property investment focus of the post remained, but it was also hoped that the recovery agenda would also be assisted with. Reports would be submitted to Cabinet and later Council setting out budgets and all of the implications associated with the coronavirus pandemic.

B. Councillor Draycott – Business Rates Relief Educational Establishments

“Business Rates Relief (BRR)

Would the Leader inform Cabinet of the total value of mandatory charitable relief awarded in both 2018/19 and 2019/20 to educational establishments in the Borough and confirm that by far the biggest beneficiary under the current rules is the University, and that other educational establishments receive a significant amount of the rest?

Is the Leader aware that included in the Government’s budget in March this year is a review of BRR signalling that the loophole where certain educational businesses are able to claim to be charities and receive BRR of 80% is no longer acceptable? BRR will cease in Scotland in September 2020 and other parts of the UK and Councils are debating this now.”

The following response had been published prior to the meeting:

*The total value of Charitable relief awarded amounted to £7.9m for 2019/20 (£7.5m in 2018/19).*

*The University is the largest single recipient of such relief which amounted to around £3.4m across the various University premises in 2019/20.*

*We understood from the budget that the government is to publish the terms of reference for a fundamental review of business rates to report in the autumn. We will await the outcome of this review with interest.*

*It is worth noting that under the current business rate retention rules it is unlikely that the Council could expect to see much benefit from a change in legislation that would require educational establishments to pay increased business rates. This is as additional sums collected would be likely offset by an increase in the share of total collections that the Council would be required to remit to the Government.*

In asking a supplementary question/making a statement, Councillor Draycott stated that private educational establishments having the ability to be charities had been the case for many years and, as a result, they could receive an 80% reduction of Business Rates, which most businesses could not do. She stated that this loophole was finally being highlighted as earlier this year the Government had announced a full review of Business Rates Relief, including educational establishments. Scotland would end Business Rate Relief for educational establishments in September 2020 and councils across the country were challenging the loophole. Nearer to home, with the terrible time being faced with Covid-19 and the many challenges being met head on, including by this Council which was doing an excellent job, Councillor Draycott considered that the University and private schools were missing an opportunity for more goodwill in the Borough and had been rather silent in this time. Rather than continuing to take the low cost option, they needed to show that we are all in this together as a Borough and consider forgoing in this financial year at least 10% of the £7.9m saved in 2018/19 so that services and jobs can be protected. Therefore, would the Leader agree to start a dialogue with the University and other educational establishments along the lines suggested by Councillor Draycott in order to protect jobs and services?

In response, the Leader stated that Business Rates policy was set by the Government, not borough councils, therefore this Council had no control over the matter, also that Business Rates retention predominantly went to the Government. The Leader then asked Councillor Barkley, as Cabinet Lead Member, to respond. Councillor Barkley reiterated that the matter was one of Government policy, also that the University was a separate organisation over which this Council had no jurisdiction. He did not consider it to be the case that Scotland was abolishing Business Rates Relief for educational establishments. Business Rates were a complex issue which was to be looked into by the Government. Councillor Barkley added that education and particularly the education of our young people was critical to the development of this country. The matters raised were not within this Council's control.

101. BEDFORD SQUARE GATEWAY PROJECT

Considered a report of the Head of Planning and Regeneration to consider in principle approval of the scheme design for public realm works at Bedford Square and Devonshire Square, Loughborough (item 6 on the agenda filed with these minutes).

Informal pre-decision scrutiny of the report had been undertaken by individual members of the Scrutiny Commission, set out in an addendum to the item (copy filed with these minutes).

The Head of Planning and Regeneration and the Chief Executive assisted with consideration of the report.

Cabinet noted that approval in principle was being requested at this stage, with a further report setting out full costings to be considered for approval later in 2020.

**RESOLVED**

1. that the project scheme design and specification as outlined in Part B and Appendix 1 of the report of the Head of Planning and Regeneration be approved in principle;
2. that authority be delegated to the Head of Planning and Regeneration in consultation with the Cabinet Lead Member to make minor modifications to the scheme design and specification during the drawing up of Traffic Regulation Orders (TROs);
3. that the phased approach to implementing the project, detailed in Section 10 Part B of the report of the Head of Planning and Regeneration, be approved;
4. that authority be delegated to the Head of Planning and Regeneration to seek out additional funding, as may be necessary, to deliver the whole scheme;
5. that authority be delegated to the Head of Planning and Regeneration to enter into a Section 278 Legal Agreement with Leicestershire County Council, along with any other legal obligations necessary, to prepare the scheme for implementation.

#### Reasons

1. To ensure that Members are in agreement with the proposed scheme design in principle so that it can be submitted to the County Highway Authority to secure the necessary TROs and the final construction drawings can be prepared.
2. To enable minor modifications to the scheme design to be made in response to any technical issues that may arise from the TRO process and also any requirements arising from County Highway Authority advice on the technicalities of the scheme design.
3. To ensure that a scheme of works can be prioritised and delivered in a phased way, within the available budget.
4. To respond to the provisions of the Constitution that limit the delegated authority of Heads of Service to accept grant funding above £200k without separate Cabinet approval.
5. To obtain agreement with Leicestershire County Council that the proposed works can be undertaken on the public highway and that any other legal agreements and requirements to prepare the final scheme design for implementation can be secured.

#### 102. INSURANCE ARRANGEMENTS

*Having declared an interest, Councillor Morgan left the meeting during the consideration of this item. The item was chaired by Councillor Barkley.*

Considered, a report of the Head of Strategic Support to consider extending the Council's current long-term agreement for insurance for a further year (item 7 on the agenda filed with these minutes).

Informal pre-decision scrutiny of the report had been undertaken by individual members of the Scrutiny Commission, set out in an addendum to the item (copy filed with these minutes).

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

**RESOLVED** that the Council extends its existing long-term agreement (LTA) for insurance for a further year (ie. from 1st June 2020 to 31st May 2021) and that delegated authority be given to the Head of Strategic Support to finalise and agree the detailed terms of the extension.

#### Reason

To ensure that the Council has appropriate insurance cover in place.

*Councillor Morgan returned to the meeting.*

#### NOTES:

1. The decisions in these minutes not in the form of recommendations to Council will come into effect at noon on Monday, 18th May 2020 unless called in under Scrutiny Committee Procedure Rule 11.7. Decisions in the form of recommendations to Council are not subject to call in.
2. No reference may be made to these minutes at the next Council meeting unless notice to that effect is given to the Democratic Services Manager by five members of the Council by noon on Monday, 18th May 2020.
3. These minutes are subject to confirmation as a correct record at the next meeting of the Cabinet.