

SOUTHEND-ON-SEA BOROUGH COUNCIL

Meeting of Cabinet

Date: Tuesday, 19th January, 2016

Place: Committee Room 1 - Civic Suite

Present: Councillor Woodley (Chair)
Councillors Gilbert (Vice-Chair), Jones, Moyies, Norman MBE and Betson

In Attendance: Councillors Assenheim, Folkard, Lamb, McMahon and Mulrone
R Tinlin, J K Williams, S Holland, S Leftley, A Lewis, A Atherton,
J Chesterton, J Ruffle, C Gamble and Keating

Start/End Time: 2.00 - 2.25 pm

555 Apologies for Absence

An apology for absence was received from Councillor Terry.

556 Declarations of Interest

- (a) Councillor Assenheim – Draft Housing Revenue Account Budget 2016/17 and Rent Setting – Board member of South Essex Homes – non-pecuniary interest.
- (b) Councillor Betson - Draft Housing Revenue Account Budget 2016/17 and Rent Setting – Board member of South Essex Homes – non-pecuniary interest.

557 Corporate Performance Management 2016/17

The Cabinet considered a report of the Chief Executive on the Council's corporate approach to performance management for 2016/17.

Resolved:-

- (i) That the corporate performance measures to be monitored via the Monthly Performance Report (MPR) for 2016/17, as set out at Appendix 1 to the submitted report, be approved.
- (ii) That the corporate priority actions, to support implementation of the Council's 2016/17 Corporate Priorities, as set out at Appendix 2 to the report, be approved.

Reason for Decision

To ensure that measures and targets are in place by which the Council can assess its performance against its agreed corporate priorities.

Other Options

1. Significantly increasing the numbers of performance measures and indicators. This would place significant pressure on available resources to undertake the necessary monitoring, and would result in diverting resources from other priority areas.

2. Not identifying any Corporate Priority actions or indicators. This would leave the Council unable to monitor its performance against its key priorities or to assess whether resources are appropriately allocated.

Note:- This is an Executive Function.

Referred direct to all three Scrutiny Committees.

Executive Councillor:- Woodley

558 Council Tax Base and Non-Domestic Rating Base 2016/17

The Cabinet considered a report of the Corporate Director for Corporate Services concerning the calculation of the Council Tax Base for 2016/17 and the submission of the National Non Domestic Rates (NNDR1) form to the Department of Communities and Local Government (DCLG) by 31 January 2016.

Resolved:-

1. That in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended by the Local Authorities (Calculation of Council Tax Base) (Amendment) (England) Regulations 2003) and Local Government Finance Act 2012 (Calculation of billing authority's council tax base Section 15):
 - (i) The Local Council Tax Support Scheme for 2016/17 approved by Council on 10 December 2015, be incorporated into the Council Tax base setting as outlined in Appendices A and B to the submitted report.
 - (ii) That the changes to Council Tax discounts and exemptions approved by Cabinet on 5 January 2016 be introduced with effect from 1 April 2016 and these will be incorporated into the Council Tax Base:-
 - Properties requiring or undergoing structural alteration or major repairs (Class D) as allowed by Section 11A of the Local Government Finance Act 2012 will be set at 0%;
 - Vacant and substantially unfurnished properties (Class C) as allowed by Section 11A of the Local Government Finance Act 2012 to be entitled to receive a discount of 100% for up to 1 month. If Class D is applicable then there is no entitlement to Class C:
 - (iii) That the following discounts and exemptions that were originally approved by Council on 13 December 2012 will remain unchanged from 1 April 2016 and these will also be incorporated into the Council Tax Base:

- Second homes (Classes A and B) as allowed by Section 11A of the Local Government Finance Act 2012 will be set at 0%;
 - Long-term empty homes (Class C) as allowed by Section 11A of the Local Government Finance Act 2012, a surcharge of 50% will be set allowing a full charge of 150% where they have been unoccupied for more than 2 years;
 - That a continuous 6 week period of occupancy is required between empty periods before a further discount can be awarded.
2. That the amount calculated by Southend-on-Sea Council as its Council Tax Base for the year 2016/17 shall be 55,701.27.
 3. That the amount calculated by Southend-on-Sea Council as the Council Tax Base in respect of Leigh-on-Sea Town Council for the year 2016/17 shall be 8,645.94.
 4. That the NNDR1 form attached at Appendix C to the report be approved for submission to the DCLG.
 5. That it be noted, however, that in the event the final NNDR1 form is not made available by DCLG in a timely fashion, it will be necessary for the Head of Finance and Resources, in conjunction with the Leader of the Council, to approve the NNDR1 form for submission to the DCLG, (the Head of Finance and Resources will include an explanation in a subsequent report to Council as to why it was not practical for Cabinet to use its own delegation)

Reason for Decision

To comply with the relevant statutory requirements

Other Options

None

Note:- This is an Executive Function

Referred direct to Policy and Resources Scrutiny Committee.

Executive Councillor:- Woodley

559 Draft Housing Revenue Account Budget 2016/17 and Rent Setting

The Cabinet considered a joint report of the Corporate Director for Corporate Services and Corporate Director for People setting out the Housing Revenue Account (HRA) budget for 2016/17 together with the information necessary to set a balanced budget as required by legislation.

Resolved:-

1. That a rent reduction of 1% on secure tenancies, as required by the Welfare Reform and Work Bill, be endorsed.
2. That an average rent increase of 3.39% on shared ownership properties, be endorsed.

3. That an increase in hostel rents to the appropriate Local Housing Allowance rate, less 10% plus £60, as allowed by national guidance, be endorsed.
4. That the proposed rent changes, set out in 1-3 above, to be effective from 4 April 2016, be endorsed.
5. That the increases in other charges as set out in section 5 of the report, be endorsed.
6. That the management fee proposed by South Essex Homes, as set out in section 6, be noted.
7. That the proposal (from 1st April 2016) for South Essex Homes to be charged with setting and recovering service, heating and water charges directly, on a cost recovery only basis, and for their management fee to be reduced accordingly, be endorsed.
8. That the appropriations to the Repairs Contract Pensions earmarked reserve and the HRA Capital Investment earmarked reserve, as set out in section 8 of the report, be endorsed.
9. That subject to 1 to 8 above, the HRA budget, as set out in Appendix 1 to the report, be endorsed.
10. That the value of the Council's capital allowance for 2016/17 be declared as £34.073M, as determined in accordance with regulation 16 of the Local Authorities (Capital Finance and Accounting) (England) Regulations, be endorsed.

Reason for Decision

Part of the process of maintaining a balanced budget for the HRA is to consider and set a rent rise (and associated increases in other income streams). Full Council needs to approve the HRA budget prior to the start of the financial year.

Other Options

None

Note:- This is an Executive Function, save the approval of the final budget following Cabinet on 11th February 2016 is a Council Function.
Referred direct to Policy and Resources Scrutiny Committee.
Executive Councillor:- Norman

560 Draft Capital Programme 2016/17 to 2019/20

The Cabinet considered a report of the Corporate management Team setting out the draft programme of capital projects for the period 2016/17 to 2019/20.

Resolved:-

1. That the current approved Programme for 2016/17 to 2018/19 of £129.6m, as set out in Appendix 1 to the submitted report, be noted.
2. That the changes to the approved Programme as set out in Appendix 2 to the report, be noted.
3. That the proposed new schemes and additions to the Capital Programme for the period 2016/17 to 2019/20 totalling £52.7m of which £44.7m is for the General Fund and £8.0m for the Housing Revenue Account, as set out in Appendices 6 and 7 to the report, be endorsed.
4. That it be noted that the proposed new schemes and additions, as set out in Appendices 6 and 7 to the report, and other adjustments, as set out in Appendix 2 to the report, will result in a proposed capital programme of £177.6m for 2016/17 to 2019/20.
5. That it be noted that, of the total programme of £177.6m for the period 2016/17 to 2019/20, the level of external funding supporting this programme is £59.9m.
6. That it be noted that a final review is being undertaken on the 2015/16 projected outturn and that the results will be included in the report to Cabinet on 11 February 2016.

Reason for Decision

The proposed Capital Programme is compiled from a number of individual projects which either contribute to the delivery of the Council's objectives and priorities or enhance the Council's infrastructure.

Other Options

The proposed Capital Programme is compiled from a number of individual projects, any of which can be agreed or rejected independently of the other projects.

Note:- This is an Executive Function, save the approval of the final budget following Cabinet on 11th February 2016 is a Council Function.

Referred direct to all three Scrutiny Committees.

Executive Councillor:- Woodley

561 Draft Fees and Charges 2016/17

The Cabinet considered a report of the Corporate Management Team detailing the fees and charges for services in 2016/17 included in the budget proposals for 2016/17.

Resolved:-

That the proposed fees and charges for each Department as set out in the submitted report and appendices, be endorsed.

Reason for Decision

Part of the process of maintaining a balanced budget includes a requirement to consider the contribution that fees and charges make towards that aim. This report is in fulfilment of that requirement

Other Options

None

Note:- This is an Executive Function, save the approval of the final budget following Cabinet on 11th February 2016 is a Council Function.

Referred direct to all three Scrutiny Committees.

Executive Councillor:- Woodley

562 Draft General Fund Revenue Budget 2016/17

The Cabinet considered a report of the Corporate Management Team presenting the draft revenue budget for 2016/17.

Resolved:-

1. That the 2016/17 draft revenue budget and any required commencement of consultation, statutory or otherwise, be endorsed.
2. That it be noted that the 2016/17 draft revenue budget has been prepared on the basis of a Council Tax increase of 1.99% and a new Adult Social Care precept of 2%.
3. That it be noted that the 2016/17 draft revenue budget has been prepared using the provisional local government finance settlement and that the outcome from the final settlement will need to be factored into the final budget proposals for the Cabinet and Council.
4. That the 2016/17 draft revenue budget, as endorsed, be referred to all Scrutiny Committees, Business sector and Voluntary sector to inform Cabinet, which will then recommend the budget and Council Tax to Council.
5. That the Schools budget position and the recommendations from the Schools Forum on 13th January 2016, as set out in Appendix 13 and 13(i) to the submitted report, be noted and referred to People Scrutiny Committee and then to Cabinet and Council.
6. That the direction of travel for 2017/18 and beyond, as set out in section 15 of the report, be endorsed.

Reason for Decision

Budget setting is at the core of the Council's corporate planning framework. It is a complex process that is fully integrated with strategic and service planning. Annually, prior to the start of the financial year, the Council agrees its budget using a consistent, transparent and prudent approach.

Other Options

None

Note:- This is an Executive Function, save the approval of the final budget following Cabinet on 11th February 2016 is a Council Function.

Referred direct to all three Scrutiny Committees.

Executive Councillor:- Woodley

563 Exclusion of the Public

Resolved:-

That, under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the item of business set out below, on the grounds that it would involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A to the Act and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

564 Establishment of a Local Authority Trading Company for Adult Social Care and site feasibility study for Delaware, Priory and Viking

The Cabinet considered a report of the Corporate Director for People on the above.

Resolved:-

1. That it be noted that the Financial Feasibility Study, as set out in Appendix 1 to the submitted report, has found that the delivery of the services (as set out in section 4.1.2 of the report) through a Local Authority Trading Company (LATC) is the most viable option.

2. That the incorporation of the LATC as a company limited by shares be approved.

3. That a fully costed proposal be developed for the creation of new care facilities on the Priory site to be operated by the LATC, including full details of funding and financing implications, given that the independent Site Feasibility Study, as set out in Appendix 4 of the report, has established there is a clear Business Case.

4. That the Business Case for the LATC together with the draft Business Plan (as set out in the report and Appendices 1-3) be approved and that the Head of Finance & Resources, in consultation with Corporate Director for People and the Executive Councillor for Health & Adult Social Care, be authorised to approve the LATC's final Business Plan.

5. That all necessary consultations with service users, carers etc, be undertaken in connection with the proposal that the LATC should take over and carry out all those services currently provided in-house as set out in section 4.1.2 of the report.

6. That all necessary consultations with existing staff and trade unions be undertaken in connection with the TUPE transfer involved.

7. That the Corporate Director for People, in consultation with the Executive Councillor for Health & Adult Social Care, be authorised to consider responses to the consultation undertaken (referred to in 5 and 6 above) and to make such amendment to the proposals (including if appropriate withdrawing them) to change the delivery of the services.

8. That subject to 7 above, the Corporate Director for People, in consultation with the Executive Councillor for Health & Adult Social Care, be authorised to finalise arrangements between the Council and the LATC to enable the LATC to carry out all those services currently provided in-house (as set out in section 4.1.2 of the report) and to authorise them to approve, in consultation with the Head of Legal & Democratic Services and Head of Finance & Resources, the terms of any such contract for services, shareholder's agreement, funding agreement and leases or licences for Delaware House, Priory House and the Viking Day Centre (between the Council and the LATC) as may be necessary to give effect to such arrangements.

9. That subject to 7 and 8 above, the financial support package for the LATC as set out in section 4.1.10 of the report, be approved and to note that this will be repaid by the LATC.

10. That the Site Feasibility Study as set out in Appendix 4 of the report, which has demonstrated the feasibility of developing a dedicated dementia facility and the re-provision of a learning disability day centre on the Priory House site, be noted and that officers be requested to develop fully costed proposals for submission to Cabinet later in the year.

Reason for Decision

As set out in the submitted report.

Other Options

As set out in the submitted report.

Note:- This is an Executive Function.
Referred direct to People Scrutiny Committees.
Executive Councillor:- Moyies

Chairman: _____