

WEST LINDSEY DISTRICT COUNCIL

MINUTES of the Meeting of the Corporate Policy and Resources Committee held in the Council Chamber - The Guildhall, Marshall's Yard, Gainsborough, DN21 2NA on 15 December 2016 commencing at 6.30 pm.

Present: Councillor Jeff Summers (Chairman)
Councillor Mrs Anne Welburn (Vice-Chairman)

Councillor Owen Bierley
Councillor Matthew Boles
Councillor David Cotton
Councillor Michael Devine
Councillor Steve England
Councillor Ian Fleetwood
Councillor John McNeill
Councillor Tom Regis
Councillor Reg Shore
Councillor Giles McNeill

In Attendance:

Ian Knowles	Director of Resources and S151 Officer
Alan Robinson	SL - Democratic and Business Support
Tracey Bircumshaw	Financial Services Manager
Michelle Carrington	SL Customer First
Alison McCulloch	Revenues Team Manager
Dinah Lilley	Governance and Civic Officer

Apologies: Councillor Adam Duguid

Membership: Councillor Giles McNeill substituted for Councillor Duguid

74 PUBLIC PARTICIPATION PERIOD

There was no public participation

75 MINUTES OF PREVIOUS MEETINGS

- a) **RESOLVED:** That the minutes of the Corporate Policy and Resources Committee meeting of 10 November 2016 be approved as a correct record.
- b) **RESOLVED:** That the minutes of the Joint Staff Consultative Committee meeting of 24 November 2016 be noted.

76 DECLARATIONS OF INTEREST

There were no declarations of interest at this point of the meeting.

77 MATTERS ARISING SCHEDULE

A verbal update was given by the Monitoring Officer following information received. There was no statutory duty to record or report the nationality of those sleeping rough. However; there was a countywide street outreach service that supported rough sleepers across Lincolnshire and having that service meant the nationality of rough sleepers was recorded.

RESOLVED that the Matters Arising Schedule as at 7 December 2016 be noted.

78 CLOSER TO THE CUSTOMER

The Strategic Lead – Customer First introduced the report which sought to advise on the outcome of the consultation process to build the vision and case for change on the Closer to the Customer Programme.

The Council had embarked on a consultation process to establish the ‘Case for Change in the Council’; with the overall purpose of defining the remit and scope of the Closer to the Customer programme. The purpose of the programme was to redesign the way the Council operated to ensure it ‘put the customer at the heart of everything we do’. It will challenge the approach to delivering services; as well as looking at how digital and advanced business technology could be used, and new ways of working to improve the way of operation; and to ensure an excellent customer experience was being delivered.

The Council decided to undertake a consultation process to gain an understanding of the problems experienced by Customers and other Stakeholders in terms of service delivery approach; and to capture opportunities and suggestions on how Customers, Officers and Members may want to access, interact, engage and operate in the future.

The first stage of consultation had been completed with our ‘internal stakeholders’. This had included formal workshop events with CLT and Strategic Leads, Team Managers, Employees and Councillors. The paper provided an insight into the findings of the consultation and the status of the Case for Change so far.

Further consultation would be undertaken with Customers, Officers and Members during the ‘Design’ stage to provide a more comprehensive layer of information on their views on how customers would access services in the future, the processes followed, the technology used; and the way in which employees would behave and operate.

This information from the consultation process to date was distilled into some key guiding principles, outcomes and expectations which would inform the Design stage of the Closer to the Customer programme. A diagrammatic summary was set out in the remainder of the report. Section 1 highlighted some of the problems and issues found; Section 2 detailed the top level guiding principles and Section 3 identified the key outcomes expected from the programme.

Members of the Committee welcomed the report and the work behind it, and emphasised that communication should be a two way process, particularly as rural residents would most likely contact their Ward Members in the first instance, so it was important for Councillors to keep officers informed of what customers were saying.

It was acknowledged that different Members operated in different ways, but it was important to understand how things worked at the Council and keep abreast of changes. Whilst there was a good level of satisfaction, improvement should be sought, rather than just maintaining the current level.

RESOLVED: that

- a) the outcome of the consultation and Case for Change be noted; and
- b) Closer to the Customer be agreed to continue to the Programme Initiation and Design stage.

79 BUILDING CONTROL TRADING COMPANY

The Director of Resources reminded Members that a Trading Company group structure had been established some months previously, and this was the first of a number of forthcoming proposals. It was proposed to hold a workshop for Members in the New Year to provide an understanding of how a Trading Company worked.

The Strategic Lead – Customer First described the success of the commercial agenda to date. The Council was now looking to establish the second Company within the structure.

The Building Control Service had a number of commercial opportunities available to it; through associated surveying services and additional new energy services. The Council produced and approved a business case for Building Control commercial operations through the Commercial Board. Since that time the Unit had been undertaking relevant training in the energy related services; and was now ready to commence service delivery.

The Building Control Service was able to operate within the district of West Lindsey but to take full advantage of income generation from new services; and to operate outside of the Boundary, the Council would need to trade through a Subsidiary Trading Company.

Members welcomed the report and the proposals within it, and made suggestions for publicity. It was hoped that the Trading Company would be launched by the end of February and be fully operational for the new financial year in April.

RESOLVED: that

- a) it be recommended to Council that approval be given to a subsidiary company of the Group Holding Company, which will be a trading company (the trading arm) for Building Control services to facilitate the return of profits to the Council which can be used to ensure the sustainable delivery of front line services;
- b) it be recommended to Council to delegate authority to the Committee for approval of annual business plan and accounts as a subsidiary of the Group Holding Company;
- c) it be recommended to Council that it approves the Shareholder Agreement for the Building Control Company;

- d) the Articles of Association for the new company, as previously approved for the Group Holding Company and its subsidiaries, be accepted;
- e) it be recommended to Council the nomination of the Chief Executive as Company Director for the new company;
- f) it be recommended to Council the nomination of the S151 Officer, (the Director of Resources) as the Council's Shareholder representative; and
- g) authority be delegated to the Council's Section 151 Officer and the appointed Director of the new company to agree the format and content of a Resourcing Agreement for the supply of services by the Council.

80 MTFP ASSUMPTIONS 2017-22

The Director of Resources presented the report for Members' information and approval.

Members were required to set a balanced budget for the financial year of 2017/18. To ensure this single year was agreed within a sustainable context it was important that Members were able to make decisions about the financial position for 2017/18 within a longer term context.

To facilitate the longer term context Members would be asked to consider a five year medium term financial plan (MTFP) for which the budget for 2017/18 would form the first year and establish the base for the further years within the plan.

The report set out a range of assumptions on which Members would be asked to agree, to establish the basis for the MTFP to be reported in February 2017.

Achievements to date were listed in the report:

- Council Tax Freeze – 4 out of 6 years
- Impact of Council Tax Income foregone - £400k
- Council Tax – dwellings increase of 4.4% since 2013/14
- NNDR Pooling Benefit - £236k over past 2 years
- New Homes Bonus £8.0m (set aside for investment)
- Service savings of £3.9m – 28% reduction since 2012/13

Government Policy Pressures include:

- Settlement Funding Reduction - £2.5m – 38%
- Impact of Localisation of Council Tax Support Scheme - £194k

On 3 March 2016 Members agreed a medium term financial plan for the five year period 2016–2021 which made a number of assumptions. The underlying assumptions at that time were as follows:

- Pay award 1%
- RSG to reduce to £0 by 2019/20
- NNDR 0% increase/growth
- NHB scheme ceases 2015/16
- Utilities inflation 4%
- Contractual Inflation applied

- Fees and charges increases above inflation where full cost recovery is not being achieved.

Indications from the new Government were that commitment to balancing the budget in this Parliament had been relaxed. Devolution continued to evolve, although Lincolnshire was now considering options after two authorities voted against the proposal. With the decision to withdraw from the European Union, there was a considerable amount of uncertainty around the impact on the UK economy.

It was intended that by 2020 Local Authorities will retain 100% of NNDR (Business Rates). In addition there had been a review of rateable values after a delayed valuation exercise was undertaken. New Rateable Values would be applicable from 1 April 2017.

Further pressures included:

The government announced that it will introduce a Living Wage which would start at £7.20 raising to £9.20 by 2020. This would mean an additional cost to the Authority of circa by £140k by 2020.

The introduction of an Apprenticeship Levy from 1.4.2017 would result in the Council being charged 0.5% of its payroll as a levy, this would be offset by funding towards the training of apprentices. The net impact being circa £18kper annum.

The Autumn Statement issued on 23 November 2016 confirmed that the Government would stand by their commitment to 4 year Settlement Funding, however clarity around New Homes Bonus and other Government Grant funding remained unclear.

The assumptions for the basis of the MTFP for 2017-22 were set out in paragraphs 7 and 8 of the report.

Councillor Bierley, as the Council's representative on the Rural Services Network and SPARSE, noted that the last meeting had been the AGM and also attended by the Director of resources. Whilst acknowledging that the four year deal gave more certainty the demographics of rural areas meant that more resources were required, and the rural settlement was not necessarily acceptable.

RESOLVED that the assumptions listed in paragraphs 7 and 8 of the report be agreed as the basis for developing the MTFP for 2017-2022.

81 FEES AND CHARGES 2017-18

The Financial Services Manager presented the revised Fees and Charges for approval to take effect from 1 April 2017.

The review of fees and charges this year had been more robust than in previous years, combining the benchmarking of charges, previously undertaken with an assessment of the lev of cost recovery and market demand where information was available.

Although full cost recovery would be the customary approach, this would not be appropriate in circumstances and the amount charged would need to be a reflection of many factors including

Council objectives, market conditions, the cost of collection and the potential impact on customers.

As a minimum, inflationary increases would normally have been applied where possible with the exception of those set by statute. Most non statutory charges have been uplifted by inflation of 2.2%, other than the following;

- No change - Annual subscriptions to committee reports and photocopying
- Cost recovery - Property name changes
- No change - Room Hire and Planning documentations
- No change – Court Costs at cost recovery
- Small change – Building Control to cost recovery
- No change – Car Parking strategy approved in year to be reviewed 2017
- Cost recovery – Licensing
- No change – Markets (under review)
- New charge – Strategic Housing enforcement
- Move to cost recovery – Burials
- Price on application – Trinity Arts
- Cost recovery/benchmarked – Second Green Bin
- No Change – wheeled bins

Full details were contained within the appendices attached to the report.

The Prosperous Communities Committee had agreed the proposed Fees and Charges set out in appendices F-Q.

Note: Councillor David Cotton declared a personal and non-pecuniary interest in the item as Springthorpe, which was designated for an increase in burial fees, was in his parish.

Debate ensued in particular regarding the significant increase in burial fees, to bring them more into line with other authorities, and it was felt that this should have been a gradual increase over the years. It was suggested that it should be a step change of 65% over each of the next two years rather than 130% in one year. It was also felt that there should be no charge at all for burials of children under 12 years of age.

Further matters raised were; that Gainsborough market should be run on an entrepreneurial basis and not subsidised by Council Tax payers. Reference was also made to the parking charges in Market Rasen and it was questioned what income gap had been caused by the delay in applying charges. This was confirmed as being £30k.

It was proposed and seconded that those proposed fees and charges set out in Appendix H relating to burials, as in the table below, be removed in order for additional information to be assessed to understand the possible impact of not increasing the fees as proposed.

Exclusive Rights of Burials in Earthen Graves			
	Current 2016/17	% Increase	Proposed 2017/18
Single Grave not exceeding 9' x 4'	£250	130%	£575
Grave not exceeding 9' x4' for double/triple internments	£350	130%	£805
Cremated Remains only grave not exceeding 4' 6" x 4'	£150	130%	£345
Exclusive right of Burial child grave up to 12 years (99 years)	New		£100

The implications of this would be incorporated into the Revenue Base Budget report. On being voted upon the amendment was **AGREED**.

RESOLVED that:

- a) it be recommended to Council for approval the proposed Fees and Charges as detailed Appendix A to E
- b) it be recommended to Council for approval the proposed Fees and Charges as recommended by Prosperous Communities Committee and detailed at Appendix F to Q with the exception of the section of Appendix H relating to burials (as above), the implications of which would be built into the Revenue Base Budget report submitted to the February Corporate Policy and Resources meeting. The remainder of Appendix H be approved with the rest of the Fees and Charges.

82 LOCAL COUNCIL TAX SUPPORT SCHEME

The Revenues Team Manager reminded Members that changes were made to the Council Tax Support Scheme in 2015, and minor amendments were agreed for 2016/17. The data available showed that it had been effective and that the collection rate for Council Tax Support claimants last year was just over 72%.

In view of this it would therefore seem appropriate to continue to embed the current scheme with both staff and council tax support claimants for at least a further year taking this scheme through to 2018.

Pensioners were protected by Government which meant 'local schemes' must give the same level of assistance to pensioners. West Lindsey District Council also made the decision since 2013/14 to protect those in receipt of a War Pension and those claimants receiving a Disability Benefit and the proposal was not to change this decision.

There were three options for consideration for the 2017/18 scheme set out in the report. Option 1 was recommended for Committee approval, and proposed:

To make no change to the current scheme, adapted from the scheme applied to people of pension age, for another 12 months but to apply any new legislative requirements and the uprating of the non-dependent charges, applicable amounts and household allowances and deductions, used in the calculation of the reduction in accordance with the Department for Works and Pensions (DWP) annual up-ratings.

Option 1 was proposed and seconded and on being voted upon it was –

RESOLVED that

- a) the report be noted; and
- a) the Local Council Tax Support Scheme for West Lindsey DC for 2017/18 as set out at Option 1 in the report, be agreed and recommended to Council for approval.

83 HARDSHIP RATE RELIEF SCHEME

The Revenues Team Manager introduced the report which sought to clarify the Council's policy on Hardship Rate Relief and set out the details of the proposed guidelines for determining

applications for reductions in business rate in individual cases.

Section 49 of the Local Government Finance Act 1988 gave the Council the discretion to reduce or remit the payment of business rates and this could be considered for both occupied and unoccupied properties.

The principal purpose of an award of hardship relief was to provide short-term assistance to businesses that were suffering unexpected hardship, arising from circumstances beyond the business's control and outside of the normal risks associated with running a business of that type, to the extent that the viability of the business would be threatened if an award were not made.

However, West Lindsey District Council had to take into account the interests of its Council Tax payers as 40% of any Hardship Rate Relief granted was funded by them. Where employment prospects in an area would be worsened by a ratepayer going out of business, or the amenities of an area might be reduced by, for instance, the loss of a neighbourhood shop, then further consideration could be given.

In the interests of fairness, the council should operate an internal review procedure for appeals and it was envisaged that individual applications for Hardship Rate Relief be determined by the Director of Resources under his delegated powers. In the event of an appeal this should be considered by the Appeals Board.

RESOLVED that:

- a) the guidelines for considering applications for Hardship Rate Relief be approved;
- b) that individual applications for Hardship Rate Relief be determined by the Director of Resources/Section 151 Officer under his delegated powers; and
- c) in the event of an appeal, it be heard by the Appeals Board.

84 COMMITTEE WORK PLAN

RESOLVED that the Work Plan be noted.

85 EXCLUSION OF PUBLIC AND PRESS

RESOLVED that under Section 100 (A)(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs 1, 2 and 3 of Part 1 of Schedule 12A of the Act.

86 NATIONAL NON DOMESTIC RATES, HOUSING BENEFIT OVERPAYMENTS AND SUNDRY DEBTOR WRITE OFFS

The Benefits Team Manager presented the report for Members' information and for approval to write off those debts listed in the appendices.

Every effort was made to ensure that all amounts due to the council were rigorously

pursued. At the end of each financial year a provision was set aside for those debts that were proving difficult to recover. Where debts were found to be irrecoverable it was the role of the Policy and Resources Committee to consider them for write off.

Detailed at Appendix A were the National Non Domestic Rates Debts which were recommended for write off for the reasons detailed.

The National Non Domestic Rate write offs were split into two totals the first accounts totalling £114,987.82 relates, in the main, to businesses that had gone into liquidation or individual bankruptcy. The second totalling £222,781.92 related to one account that had been incurred due to action taken by the Valuation Officer. The company went into liquidation in December 2014 but a recent backdated increase in the rateable value of the property created this additional debt which was not due at the time the company went into liquidation. This debt was an unexpected charge raised due to the actions of the Valuation Office and was not money that was expected to be paid.

Detailed at Appendix B were the Housing Benefit Overpayments which were recommended for write off for the reasons detailed.

Detailed at Appendix C was a Sundry Debtor Account which was recommended for write off for the reasons detailed.

The total of the write offs set out in the report and its appendices did not in any way affect the revenue balances for the current year as provision for the write off of these debts had been made in previous years. Members were reminded that the writing off of these debts does not preclude the writing back should any further details come to light that may affect the account.

The Committee asked a number of questions around specific cases, and also questioned whether a debt had ever been written back on, and were debts still pursued after having been written off. The Revenues Team Manager responded that a debt had been written back on that day, and that debts were still pursued after having been written off and that action was taken wherever possible. Bankruptcy was not enforced unless necessary.

Some of the debts had resulted from bankruptcies and this did not preclude individuals from immediately starting a new business. It was suggested that as some of the businesses incurring the above debts were public houses, there could be a question included on the licence application form asking whether any outstanding monies were owed to the Council.

RESOLVED that:

- a) the write off arrears of National Non Domestic rates to the value of £337,769.74 be agreed;
- b) the write off arrears of Housing Benefit Overpayments to the value of £4,157.06 be agreed; and
- c) the write off arrears of Sundry Debtor Accounts to the value of £35,192.99 be agreed.

The meeting concluded at 7.52 pm.

Chairman