

**CABINET
22ND DECEMBER 2011**

PRESENT: The Leader (Councillor Slater)
The Deputy Leader (Councillor Hampson)
Councillors Barkley, Blain, Bokor, Fryer, Harley, J. Hunt and Snartt.

Councillors Capleton and Vardy (Cabinet Support Members) were also in attendance.

71. DISCLOSURES OF PERSONAL INTERESTS

A disclosure of Personal and Prejudicial Interest was made by Councillors Hampson and Slater in agenda item 12, Provision of a Loan to the Loughborough BID Company, as members of the Loughborough BID Board.

72. LEADER'S ANNOUNCEMENTS

The Leader made the following announcement:

Reflections on 2011

“At this time it is usual to reflect on the year just gone. It has been a very challenging year for everyone involved in Local Government, but I think Charnwood has come through it well. I would like to personally thank Officers and Members for their work on behalf of the Borough. I would especially like to express my gratitude to Members of the Cabinet for all their incredibly hard work and achievements during 2011 which, despite all the doom and gloom, has been impressive”.

“Here are some of them:-

- we secured a Home Office backed award for Customer Service Excellence;
- we worked with the Loughborough Echo and others to help Loughborough win Gold in the East Midlands in Bloom competition;
- we announced a record spending total of £7.6 million into improving the Council's housing stock, sheltered accommodation and P.R.C. homes;
- we received praise from the Audit Commission for soundly managing our finances;
- we won a major national award for our work with the Bridge in helping reduce youth homelessness in the Borough;
- we froze Council Tax for residents;
- we approved an Article 4 Direction in response to our community's calls to stop the uncontrolled spread of H.M.O.s;
- we restructured the Council's senior management posts to deliver £427,000 savings;
- we hosted a major conference to share our pioneering and award winning work to tackle anti-social behaviour;

- the UK Corporate Games were held in Charnwood;
- the Council's CCTV team won an award for being one of the best in the country;
- we introduced Choice Based Lettings to make it easier for people to find council homes;
- we completed the Eastern Gateway project, to much acclaim;
- we built new Council houses, the first since 1990s;
- we rolled out new green bins to make recycling even easier for residents;
- we secured excellent value for money for taxpayers by signing a new contract to sell our recycle, which will generate revenue for the Council;
- we entered into a new contract to run our Leisure Centres and saved thousands of £s per year; and
- on top of all that, we also gave out tens of thousands of pounds worth of grants to help voluntary and charitable groups as well as supporting talented athletes and sporting clubs”.

“And sadly we said farewell to Mike Preston and Steve Campbell”.

73. MINUTES

The minutes of the meeting held on 24th November 2011 were confirmed as a true record and signed.

74. QUESTIONS UNDER COUNCIL PROCEDURE RULES 29(ii) AND 39

The following questions had been received under Council Procedure Rule 29(ii):

Councillor Sharp – Decent Homes

“A briefing paper issued by Charnwood Borough Council titled ‘A Decent Home: Definition and Guidance’ states that in reference to Criteria B of the Decent Homes standard ‘A building component can only fail to satisfy this criterion by being old and requiring replacing or major repair. A component cannot fail this criterion based on age alone”.

“Can it be confirmed that this is still a correct interpretation of Criteria B failures under the Decent Homes Standard?”

“Can it be confirmed the number of our Council Homes that are currently recorded as failing under the Decent Homes Standard and how many of these are failing under Criteria B?”

“Can it be confirmed what percentage of the total Decent Homes failures are in Criteria B?”

The Lead Member, Councillor J. Hunt, responded:

“It is not clear what briefing paper is being referred to - the Guidance on Decent Homes has not been issued by CBC but by CLG in 2006. We assume that is the guidance to which Councillor Sharpe refers”.

“Within that guidance it states Criteria B is as follows

b) It is in a reasonable state of repair

Dwellings which fail to meet this criterion are those where either:

- One or more of the key building components are old and, because of their condition, need replacing or major repair; or

- Two or more of the other building components are old and, because of their condition, need replacing or major repair”.

“This is the latest guidance that has been issued in relation to the application of the criteria”.

“At the end of Quartile 2 (30th September 2011) Charnwood had 1,924 properties failing the Decent Homes Standard, of which 1,867 failed under criteria B”.

“97 % of decent homes failures are in criteria B”.

Councillor Sharp, made a statement in which he added that the figures listed were predominantly major repairs or components such as gas boilers or rewiring. There were also a number of repairs which would soon need to be included, such as 3000 kitchens, which were over 20 years old, and 2000 bathrooms, which were over 30 years old. Councillor Sharp asked a supplementary question asking the Cabinet to reflect on the numbers and actively work with all Councillors to ensure value for money in the housing stock.

In response, the Lead Member, Councillor J. Hunt, stated that figures in the answer were projections, the Council did not survey every property each year and a definite category could only be identified if a property was inspected. Councillor J. Hunt pointed Councillor Sharp to item 9 on the agenda, Housing Revenue Account – Draft 30 Year Business Plan, which she said would address the issues raised in his statement.

Councillor Miah – Impact of New Housing Benefits Rules

“With the new Housing Benefit rules to be fully implemented in January 2012 please can the leader indicate, in Charnwood, the number of claimants that will be affected and the expected average individual reduction in housing benefit by those affected?”

“Can the leader also indicate the number of 'under-occupied' properties the council, through it's shareholding in Charnwood Neighbourhood Housing, holds and how many tenants will be affected by the so called 'bedroom tax' (reduction in Housing Benefit) when it is implemented by Government, as announced this month?”

“Can he also indicate how many tenants in Charnwood living in the private sector and registered social landlords, and receiving housing benefit will also be affected?”

The Lead Member, Councillor Bokor, responded:

“There are 119 current housing benefit customers who may be affected by the changes to Housing Benefit legislation in relation to people aged under 35 years of age”.

“Customers aged 25 or more but under 35 will be affected when any re-assessment of benefit occurs. This will change the levels of Housing Benefit from the existing Local Housing Allowance rate onto the Shared Accommodation rate for the area. The exact details have still not been released by the DWP and so it is not possible to give accurate figures as the Valuation Office issues the rates on a month to month basis”.

“The current shared accommodation rate for Charnwood is £58 per week or £251.33 per calendar month”.

“The Welfare Reform Bill, currently going through the House of Lords and due to come into effect in April 2013, allows restrictions on housing benefit based on property size. Until the bill is enacted, it is not possible to advise how many tenants in the Council stock, other social housing or the private rented sector might be affected, as this will be determined by the details in the legislation, the definitions, and the thresholds that may be prescribed at that time”.

Councillor Miah, made a statement in which he added there were currently over 7,600 Housing Benefit claimants, according to direct.gov.uk the Welfare Reform Bill would affect every Housing Benefit Claimant. Councillor Miah asked a supplementary question in which he asked for details of how many families the proposed change was likely to affect.

In response, the Lead Member, Councillor Bokor, undertook to provide a written response to Councillor Miah’s supplementary question.

75. URGENT ITEM - COMMUNITY ENERGY SAVING PROGRAMME

Following consultation with the Leader of the Council, this item was added to the agenda as a matter of urgency in accordance with section 100B(4)(b) of the Local Government Act 1972, seeking authority to enter into an agreement with E.ON UK to enable the Council to access funding through the Government’s Community Energy Saving Programme (item 5a on the agenda filed with these minutes).

If this report was to be called in under Overview and Scrutiny Procedure Rule 13 then the delay would result in the Council being unable to enter into the agreement with E.ON by the deadline of 6th January 2012. This would mean that the Council

would lose the opportunity to access the funding on offer through the Community Energy Saving Programme as the offer from E.ON could be withdrawn. Therefore, it was proposed that the decision be exempt from call-in in accordance with Overview and Scrutiny Procedure Rule 14. The Mayor had given his consent to this and agreed that the decision was reasonable in all the circumstances and should be treated as a matter of urgency.

RESOLVED

1. that this item be considered as a matter of urgency in accordance with section 100B(4)(b) of the Local Government Act 1972;
2. that delegated authority be given to the Head of Strategic Support to finalise and enter into an agreement with E.ON UK for the funding of energy efficiency measures as part of the Government's Community Energy Saving Programme; and
3. that, as the matter is urgent, the Call-In Procedure be suspended in accordance with Overview and Scrutiny Procedure Rule 14 of the Council's Constitution.

Reasons

1. To enable the decision to be taken at this meeting so that the Council could enter into the agreement by the agreed date and to ensure that there was compliance with the legal provisions in the case of urgent decisions.
2. To enable the Council to access funding through the Government's Community Energy Saving Programme to provide energy efficiency measures for Council properties in Shelthorpe.
3. To enable the decision to have immediate effect so that the Council could enter into the agreement by the agreed date and to ensure that there was compliance with the provisions of the Council's Constitution in the case of urgent decisions.

76. ANNUAL PROCUREMENT PLAN 2011/12 – UPDATE QUARTER 3

A report of the Head of Finance and Property Services, setting out additions to the Annual Procurement Plan for Charnwood Borough Council for 2011/12, was submitted (item 6 on the agenda filed with these minutes).

RESOLVED that the contracts, up to £75,000, listed in Appendix A of the report filed with these minutes, be let in accordance with Contract Procedure Rules.

Reason

To allow contracts of the Council to be let in accordance with contract procedure rules.

77. CAPITAL PLAN AMENDMENT REPORT

A report of the Head of Finance and Property Services, requesting consideration of changes to the 2011/12 to 2012/13 Capital Plan, and its financing, prior to consideration by Council, was submitted (item 7 on the agenda filed with these minutes).

RESOLVED that it be recommended to Council that the current Capital Plan for 2011/12 to 2012/13 in the sum of £14,301.9k. be approved.

Reason

To enable the Capital Plan to be the basis for capital spending by the Council and so that the schemes may proceed.

78. DRAFT CAPITAL PLAN 2012/13 TO 2014/15

A report of the Head of Finance and Property Services, detailing the Draft Capital Plan for 2012/13 to 2014/15, was submitted (item 8 on the agenda filed with these minutes).

A report of the Overview Scrutiny Group was also considered (filed with these minutes). In accordance with Council Procedure Rule 8(d), Councillor Harper-Davies, as Chair of Overview Scrutiny Group, addressed Cabinet.

RESOLVED

1. that the Draft Capital Plan for 2012/13 to 2014/15 be agreed for consultation; and
2. that the report of the Overview Scrutiny Group be noted and that it be acknowledged that the Group supported the recommendations in the report of the Head of Finance and Property Services, filed with these minutes.

Reasons

1. To enable consultation on the Draft Capital Plan so that it could become the basis for capital spending by the Council.
2. To acknowledge the views of the Overview Scrutiny Group.

79. HOUSING REVENUE ACCOUNT – DRAFT 30 YEAR BUSINESS PLAN

A joint report of the Head of Housing and the Head of Finance and Property Services, providing an update on the Government's Self Financing proposals for the Housing Revenue Account and the development of the HRA Business Plan for 2012-13 onwards, was submitted (item 9 on the agenda filed with these minutes).

A report of the Overview Scrutiny Group was also considered (filed with these minutes). In accordance with Council Procedure Rule 8(d), Councillor Harper-Davies, as Chair of Overview Scrutiny Group, addressed Cabinet.

It was noted that the Overview Scrutiny Group, while supporting the recommendations and commending the report, had expressed concern that in the absence of discussions with the Public Works Loan Board it was possible that their reduced loan rate could rise, potentially impacting on funding. Clarification was given by the Head of Finance and Property Services that the interest rate offered was based on what the Government borrows, even if the rate was to increase it would still be the best available rate and would be affordable for the Council.

RESOLVED

1. that the progress and proposals in relation to the implementation of self financing of the HRA be noted;
2. that the Stock Investment Model element of the HRA Business Plan, as detailed at Appendix A of the report filed with these minutes, be approved as a draft for consultation;
3. that a further report be considered in February 2012 presenting the proposed post consultation thirty year HRA Business Plan and associated stock investment strategy for approval; and
4. that the report of the Overview Scrutiny Group be noted and that it be acknowledged that the Group supported the recommendations in the joint report of the Head of Housing and the Head of Finance and Property Services, filed with these minutes.

Reasons

1. To ensure the April 1st 2012 deadline for implementing self- financing was met.
2. To enable consultation with stakeholders to shape and inform the final version of the Plan.
3. To ensure the Plan remains fit for purpose and was adjusted in line with financial projections, emerging government policy decisions, asset management data and emerging investment priorities for the Council's housing stock.

4. To acknowledge the views of the Overview Scrutiny Group. Cabinet considered the concern raised about the Loan Rate and was satisfied, following advice given, that the Council could afford any increase in the interest rate, should this occur.

80. DRAFT 2012/13 GENERAL FUND AND HRA BUDGETS

A report of the Head of Finance and Property Services, detailing the projected base budget position for 2012/13 and reviewing the savings and growth proposals put forward for 2012/13, was submitted (item 10 on the agenda filed with these minutes).

A report of the Overview Scrutiny Group was also considered (filed with these minutes). In accordance with Council Procedure Rule 8(d), Councillor Harper-Davies, as Chair of Overview Scrutiny Group, addressed Cabinet.

It was noted that the Overview Scrutiny Group sought clarification of the impact on the Housing Service of the proposed deletion of the Homelessness Resources Officer post.

RESOLVED

1. that in light of the Corporate Plan, the following be agreed for consultation:
 - that there be no increase in the Council's main precept or the Loughborough Special Rate, provided funding equivalent to a 2.5% rise was provided by the government through the 2012/13 Council Tax Freeze Grant; and
 - the General Fund and HRA Revenue Budgets for 2012/13; and
2. that the post consultation report, setting out the proposals for the 2012/13 General Fund and HRA Budgets, include a narrative in respect of the proposed deletion of the Homelessness Resources Officer post, setting out the impact on the Housing Service, if any.

Reasons

1. To provide the opportunity for consultation on the 2012/13 budgets and potential pressures and savings.
2. To acknowledge that from the information included in the report, Overview Scrutiny Group were unable to reassure themselves that the proposed deletion of the Homelessness Resources Officer post would not impact upon the Service and that further information in respect of this proposal should be provided in order that an informed judgement could be made.

81. TREASURY MANAGEMENT STRATEGY, ANNUAL INVESTMENT STRATEGY AND MRP POLICY – MID YEAR REVIEW FOR THE 6 MONTHS TO 30TH SEPTEMBER 2011

A report of the Head of Finance and Property Services, reviewing the Treasury Management Strategy and the Annual Investment Strategy, plus the Prudential Borrowing and Treasury Indicators for the first 6 months of 2011/12, was submitted (item 11 on the agenda filed with these minutes).

RESOLVED that it be recommended to Council that the mid-year review of the Treasury Management Strategy Statement, Prudential Borrowing and Treasury Indicators plus the Annual Investment Strategy, as shown in Part B of the report filed with these minutes, be noted.

Reason

To ensure that the Council's governance and management procedures for Treasury Management reflect best practice and comply with the Revised CIPFA Treasury Management in the Public Services Code of Practice, Guidance Notes and Treasury Management Policy Statement, and that funding of capital expenditure would be taken within the totality of the Council's financial position and that borrowing and investment was only carried out with proper regard to the Prudential Code for Capital Finance in Local Authorities.

82. PROVISION OF A LOAN TO THE LOUGHBOROUGH BID COMPANY

A report of the Strategic Director of Corporate Services, requesting support for the Loughborough BID Company during its initial period of operations by offering an interest free loan of £20,000, was submitted (item 12 on the agenda filed with these minutes).

Having declared a personal and prejudicial interest in this item, as members of the Loughborough BID Board, Councillors Hampson and Slater left the meeting and took no part in the debate nor the voting on this item.

In the absence of the Leader and Deputy Leader, it was agreed that Councillor J. Hunt chair the meeting for the consideration of this item.

RESOLVED

1. that an interest free loan to the BID Company of £20,000, repayable in full no later than 26th March 2012, be agreed; and
2. that the Director of Corporate Services, in conjunction with the Lead Member for Finance and Property Services, be given delegated authority to negotiate details of the loan with the BID Company and to make all subsequent necessary arrangements to grant the loan.

Reasons

1. To facilitate the effective operation of the BID Company in its early period of trading.
2. To ensure that the loan could be granted expeditiously.

Notes

1. The decisions in these minutes, which are not in the form of recommendations to Council, will come into effect at noon on Monday 9th January 2012 unless called in under Overview and Scrutiny Procedure Rule 13.
2. No reference may be made to these minutes at Council on 9th January 2012. No reference may be made to these minutes at Council on 27th February 2012 unless notice to that effect is given to the Team Leader – Democratic Services and Mayoralty by five members of the Council by no later than noon on Monday 9th January 2012.
3. These minutes are subject to confirmation as a correct record at the next meeting of Cabinet on 19th January 2012.