

## CABINET

Wednesday, 16th January, 2013

**Present:-** Cllr Snell – in the Chair

Councillors Mrs Bates, Mrs Beech, Boden, Kearon, Stubbs and Williams

### 1. APOLOGIES

There were no apologies received.

### 2. DECLARATIONS OF INTEREST

The Council's Monitoring Officer confirmed that the Standards Committee had granted dispensations to all Members regarding the consideration of council tax and the interests that many Members may have in properties in the Borough.

There were no declarations of interest received.

### 3. MINUTES

**RESOLVED:** That the minutes of the meeting held on Wednesday 12 December 2012 be agreed as a correct record.

### 4. TECHNICAL REFORMS TO COUNCIL TAX

Cabinet received a report to enable Members to consider the Technical Reforms to Council Tax Support. The Local Government Finance Act 2012 would introduce certain changes with regard to the operation of Council Tax in England. Some of the changes were to be applied generally across the scheme but others would allow individual authorities to apply discretion around how they would be applied in their own area.

The Portfolio Holder for Finance and Budget Management advised that the changes would provide an additional £81,000 of income for Newcastle Borough Council whilst affecting a minimum number of council tax payers.

The majority of the money would go to the major precepting bodies for the area including Staffordshire County Council and the Fire Service. Discussions were taking place as to how the money could be respent in Newcastle Borough.

**RESOLVED:** (a) That Cabinet authorise with respect to the discretion allowed by reforms to Council Tax legislation detailed within the Local Government Finance Act 2012 for charges in respect of second homes, former Class A exemptions and the Empty Homes Premium, alteration be made to existing arrangements to maximise income.

(b) That Cabinet authorise with respect to the discretion allowed by reforms to Council Tax legislation detailed within the Local Government Finance Act 2012 for charges in respect of Class C exemptions, that a 100% discount be introduced for the first 56 days and thereafter this is reduced to 0%.

## 5. CALCULATION OF COUNCIL TAX BASE

A report was submitted requesting Cabinet to approve the Council Tax Base to be used to calculate the 2013/14 levies for the Borough Council, the County Council, the Police Authority, the Fire Authority and each Town and Parish Council.

Sections 33 and 34 of the Local Government Finance Act 1992 required the Council to calculate the Council Tax Base for the Authority and for each of the areas covered by the Parish Council. The legislation required that the figure, when determined, be notified to precepting authorities before 31 January.

Discussions were taking place with Parish Councils as funding was provided to them and the Calculation of the Council Tax Base would affect the funding they received.

**RESOLVED:** That Cabinet approve, in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, the amounts calculated as the Council Tax Base for 2013/14 shall be as follows:

### Band D Equivalent Properties

|                                 |        |
|---------------------------------|--------|
| Newcastle Borough Council       | 34,361 |
| Kidsgrove Town Council          | 6,259  |
| Audley                          | 2,423  |
| Loggerheads                     | 1,839  |
| Balterley, Betley and Wrinehill | 566    |
| Chapel and Hill Chorlton        | 186    |
| Keele                           | 315    |
| Madeley                         | 1,413  |
| Maer                            | 245    |
| Silverdale                      | 1,240  |
| Whitmore                        | 808    |

## 6. LIVING WAGE ACCREDITATION

A report was received seeking to obtain approval from Cabinet, regarding the Living Wage Initiative with a view to the Council becoming a 'Living Wage Employer'.

The Living Wage campaign was launched by the charity London Citizens in 2001 and had cross-party support. Accreditation provided employers with a licence to the living wage employer mark. The accreditation process was relatively simple and was open to employers already paying the living wage, or those committed to an agreed timetable of implementation.

There was evidence that benefits can include: improved recruitment and retention, higher employee morale, motivation and productivity and reputational benefits of being an ethical employer. Based on posts currently filled, 19 permanent employees would be affected and up to a further 27 casual employees.

The Portfolio Holder for Finance and Budget Management had pleasure in supporting the Council on its way to implementing the Living Wage. It was hoped becoming a Living Wage employer would be expedited and the next stage would be to plan how the Living Wage could be brought in for future suppliers and sub-contractors so that they paid their employees the Living Wage and were also ethical employers.

Cabinet considered the initiative to be excellent, as it would give staff incentive and ensure the people the Council were doing business with were socially responsible.

**RESOLVED:** That Cabinet approve that arrangements be made for the Living Wage Initiative to be implemented for Council employees from 1 April 2013 and for the Council to obtain accreditation as a Living Wage Employer.

## 7. **REVENUE AND CAPITAL BUDGETS 2013/14**

A report was received reviewing progress on the completion of the revenue and capital budgets for 2013/14 following agreement of the 5 year Medium Term Financial Strategy, to enable Cabinet to recommend a robust and affordable budget for 2013/14 to the Council meeting on 27 February 2013.

It was considered that the Council was in a good position regarding the budget setting process, as there was still a month before it would be considered by Full Council. Cabinet wished to thank the Budget Review Group, the Finance team, Heads of Service and all other Officers involved for the work they had undertaken in demanding circumstances. Credit was given to the Finance Officers who had turned around the Revenue and Capital Budget, considering the lateness of the financial settlement which was received on 20 December and the many changes to such areas as business rates. The Portfolio Holder for Environment and Recycling also thanked Officers for making the budget an easy read.

It was a budget without redundancies, where there would be cuts to spending, with no effect to frontline services. There would be a freeze to Council Tax and funding would be available for a number of priorities including the Town Centre Manager, apprenticeships and home security. £100,000 had been placed in a Revenue Investment Fund to improve revenue streams. The headline figure in the press was that there would be a 2.1% reduction in spending; the figure was more realistically 5.5%. The reduction was expected to be 12-13% in 2014/2015.

It had been a positive step to bring forward the publication of the timetable to before Christmas, to make for greater Member involvement. A Budget Scrutiny Café was taking place on 17 January and effort had been made to make setting the budget an open process.

The question was raised as to whether in future years reserves would be placed into revenue streams. The Portfolio Holder for Finance and Budget Management confirmed the aim in 2014/15 was for a 'clean budget', where the budget would not be dependent upon reserves. The current draft settlement for 2014/15 would mean a gap of £1.5 million to bridge, meaning a 'clean budget' was an aggressive aim to meet.

One final report relating to the budget would be submitted to Cabinet in February. This would include a review of the balances and reserves and the comments and feedback from the Budget Scrutiny Café and the Transformation and Resources Overview and Scrutiny Committee meeting on 24 January.

It was noted that due to the lateness of receiving the settlement, it had not been possible to convey the necessary information to the Parish Councils. An email had been prepared which was ready to be sent to the Parish Clerks the following morning. This contained the information they would need for their meetings the following night to set their precepts. The Council had offered to help the Parish

Councils who did not want to increase their precepts, but the decision about whether to do so or not was dependent upon the settlements.

**RESOLVED:** (a) That the assumptions set out in the report be approved.

(b) That Cabinet confirm that no Council Tax increase is proposed in 2013/14.

(c) That the Transformation and Resources Overview and Scrutiny Committee be asked to consider what comments it wishes to make on the draft Budget and Council Tax proposals before the final proposals are considered at Cabinet in February 2013.

## 8. **SCALE OF FEES AND CHARGES 2013/14**

Cabinet received a report seeking to obtain approval for the proposed scale of fees and charges to apply from 1 April 2013. It was necessary to review the fees and charges which the Council makes in order to keep them in line with the cost of service provision and to establish the amounts to be included in the 2013/14 budget.

The preparation of the 2013/14 budget assumed an overall 2.0% increase in the amount of income raised from fees and charges in 2013/14, in line with assumptions about the rate of inflation over the period that these charges would be in force, reflecting the real increases in costs being incurred by services. The proposals had been drawn up taking account of this requirement. However, it did not mean that each charge had been increased by 2.0%, rather that charges had been amended selectively in order to achieve the desired increase in income. A great number of changes were, in fact, recommended to be frozen at their current levels and all car parking charges were being frozen in order to encourage residents and customers to visit the town centre. The Finance Team were thanked for their work and for the phrasing of the income streams.

**RESOLVED:** That Cabinet approve the fees and charges proposed to apply from 1 April 2013, as set out in Appendix A of the report and be submitted to the Transformation and Resources Overview and Scrutiny Committee for comment.

## 9. **EXCLUSION RESOLUTION**

It was resolved that the public be excluded from the meeting during consideration of an appendix to the Scale of Fees and Charges 2013/14 report as it was likely there would be a disclosure of exempt information as defined in paragraph 3 in Part 1 of Schedule 12A of the Local Government Act 1972.

## 10. **Scale of Fees and Charges**

## 11. **HOUSING CAPITAL PROGRAMME 2013/14**

A report was considered seeking Cabinet approval of the proposed 2013/14 Housing Capital Programme, taking into account the views of the Economic Development and Enterprise Overview and Scrutiny Committee.

The Council considered the Housing Capital Programme every year to ensure the Council's housing investment priorities were up to date. With limited funding available from national funding streams it was appropriate for the Council to continue using the New Homes Bonus for housing purposes. The report outlined the key options for

housing investment in the forthcoming year on the proposed housing programme to deliver the Council's strategic housing priorities and to support the Council's most vulnerable residents.

The Council had a housing capital programme to deliver the Council's priorities as set out in the Housing Strategy and associated Housing Renewal Assistance Policy, Energy Efficiency and Climate Change Strategy and Empty Homes Strategy. The current 2012/13 programme was funded by the New Homes Bonus and central government grant to support Disabled Facilities Grants (DFGs).

The Portfolio Holder for Safer Communities was pleased with the contents of the report, in particular with the funding for DFGs, where extra funding had been received from central government and this funding was being used for its intended purpose. It was a statutory duty to provide DFGs and demand for the grants was increasing. The Portfolio Holder for Stronger and Active Neighbourhoods considered the funding was important for all residents. In particular, the Accredited Landlord Scheme funding was important as there were landlords waiting to sign up. The funding for the Accredited Landlords Scheme came from the Affordable Housing Fund and the scheme had been very successful.

The Portfolio Holder for Safer Communities questioned whether large institutions such as Keele University could be asked if they would be willing to make a contribution to the Accredited Landlords Scheme. They would benefit from the improvements to the Borough that the scheme produced, such as making the Borough a more attractive place for prospective students. The Executive Director, Regeneration and Development noted that universities had their own arrangements, with Keele University having extensive on campus accommodation. It may be that they would sign up for the 'spirit' of the scheme. The Executive Director, Regeneration and Development would ask the question of Keele University about financially supporting the scheme.

The Leader considered that the Council should not be complacent as additional need would grow. Part of the solution would be to help with affordable housing.

**RESOLVED:** That Cabinet approve the Housing Capital Programme on the basis set out in the report.

## 12. **CAPITAL STRATEGY 2013/14**

A report was submitted to Cabinet to consider the Capital Strategy 2013-16. The Capital Strategy sets out how the Council proposes to deploy its capital resources in order to assist it to achieve its corporate and service objectives. It takes into account other relevant Council strategies, policies and plans and the views of partners and stakeholders with whom the Council was involved. It also takes account of the resources which are likely to be available to the Council to fund capital investment and the effect of that investment on the Council's revenue budget. It would serve as a useful point of reference when determining or reviewing the Council's Capital Programme.

The Capital Strategy 2013-16 was considered by the Transformation and Resources Overview and Scrutiny Committee on 10 December 2012 and any suggestions or changes made by the Committee had been incorporated into the strategy.

**RESOLVED:** That Cabinet approve the Capital Strategy 2013-16 and that the Capital Strategy 2013-16 be forwarded to Council with a recommendation for approval.

### 13. **ASSET MANAGEMENT STRATEGY**

A report was submitted seeking Cabinet approval for the Asset Management Strategy 2013-2016. The Strategy was a key document, which along with the Council's Capital Strategy and Medium Term Financial Strategy, forms the basis of the Council's use of resources. The Asset Management Strategy seeks to provide a robust and formal approach to the management and use of the Council's land and property assets. It also summarises the potential ways in which investment can be funded, highlighting the manner in which the Council invests in both its operational and commercial portfolios to meet the Corporate Plan's objectives.

The strategy refers to the Council's need to proactively generate its own capital through the identification and disposal of surplus assets. It also identifies potential (mainly residential) sites that the Council may wish to consider to dispose of, which are contained within the current Strategic Housing Land Availability Assessment (SHLAA) and sites to be explored in the future that are not currently contained within the SHLAA. It was intended that the planning merits of such sites were reviewed alongside land in other ownership as part of the emergency Site Allocations and Policies Local Plan. Any final decision to dispose of any such sites would be informed by the latter process but also be the subject of site-specific consultation and decision-making arrangements by the Council in its capacity as land owner.

Two land parcels at Bignall End had been removed from the Strategy. These were land at Monument View and land at Gresley Way. A piece of land at Newchapel had also been removed as this was used by local people and contained flood prevention measures for neighbouring properties.

In making any decision the Council would be looking to distinguish its role as land owner aside from its role as Planning Authority. The Town Planning process would be allowed to consider the merits of a site, then as land owner the Council could make a decision about whether to sell or not. This would enable development and help the growth agenda for the Council, who would stand to benefit from capital receipts.

The Leader noted Central Government were promoting the building of new homes, but it was desirable to locally protect that development with local safeguards. The Portfolio Holder for Stronger and Active Neighbourhoods noted that there were benefits to Borough residents from the removal of the pieces of land at Bignall End and Newchapel. The Portfolio Holder for Regeneration, Planning and Town Centres Development advised that the Planning department had been scrupulously fair when they consulted with the public and had included everything and there had been no intention to build on some pieces of land. The Council was acting according to feedback from residents as a land owner, and the Leader considered it important with regard to what that Council was aspiring to be. Meaningful consultation would be done and there would be opportunities for residents and Members to have a direct say. If any resident had concerns they could make their views known.

**RESOLVED:** (a) That Cabinet approve the Asset Management Strategy 2013-2016.

(b) That Cabinet approve the local planning authority be advised of the Strategy.

#### 14. **STAFFORDSHIRE STRATEGIC PROPERTY REVIEW**

A report was received for Cabinet to review the Staffordshire Strategic Property Review report and consider the implications for the Borough Council and local stakeholders.

One of the primary aims of the review was the identification of specific rationalisation opportunities. The three that were identified within Newcastle Borough were: (a) the rationalisation of the office estate within the Newcastle area; (b) Newcastle Town Centre redevelopment (the former Sainsburys and the civic offices) and; (c) Knutton urban village site (site of former Knutton Recreation Centre and adjacent land/buildings). All three rationalisation opportunities identified would involve working with Staffordshire County Council.

The Leader and Portfolio Holder for Safer Communities had met with the new Police and Crime Commissioner and discussed greater multi-agency working. The Police and Crime Commissioner would be visiting to see what had already been done. Co-location with partners in Kidsgrove Town Hall and the Civic Offices had already been implemented, and in particular, it was considered that the co-location of partners in Kidsgrove Town Hall was working brilliantly. Members of the public spoke to one reception group and were directed around the building in a clear and swift process, which should be applauded. The Portfolio Holders for Finance and Budget Management and Regeneration, Planning and Town Centres Development would ensure the positive feedback was passed on.

The Portfolio Holder for Safer Communities considered that going forward, there should not be co-location just to cut costs, but that there should be a coherent, joined up approach to co-location with tangible benefits. The Leader concurred that by being a cooperative Council, this meant working together for the greater good.

**RESOLVED:** That Cabinet approve that the Staffordshire Strategic Property Review report be accepted and that the programme and project management arrangements established regarding the opportunities within the borough are noted.

#### 15. **PAY PROTECTION**

A report was received in order for Cabinet to consider the current arrangements for protecting the pay of those employees whose pay is reduced as a result of them being redeployed to a lower graded post following restructuring. This was to ensure that the Council's pay protection arrangements were fair, equitable and reasonable, taking into account the relevant factors, including mitigation of the loss of income of affected employees and the potential cost to the authority.

The Portfolio Holder for Finance and Budget Management proposed that recommendation two as detailed in the report be approved by Cabinet.

**RESOLVED:** That Cabinet approve recommendation two on the Pay Protection report, that the arrangements proposed at 1.3 in the report be adopted including backdating.

## 16. REPLACEMENT OF SWEEPERS

A report was received to inform Cabinet of the outcome of the tendering process for the supply of replacement sweeping vehicles and to seek a decision from Cabinet regarding the award of contracts.

The current fleet of sweepers were coming up to five years old and it would be operationally and financially advantageous to replace these vehicles to ensure the continuity of service provided within the Streetscene service. All the bids have been evaluated both on cost and quality. This evaluation indicated that Johnson Sweepers for Lot 1 and Scarab Sweepers for Lot 2 had provided the most economically advantageous tender and complied with the Council's financial appraisal. The Portfolio Holder for Finance and Budget Management was pleased to see the competitive tendering process, with any reductions achieved being gratefully received.

**RESOLVED:** (a) That Cabinet authorise that the contract for the supply of two sub-compact sweeping vehicles be awarded to Johnson Sweepers.

(b) That Cabinet authorise that the contract for the supply of three compact sweeping vehicles be awarded to Scarab Sweepers.

(c) That Cabinet approve, subject to the approval of the fleet replacement element of the 2013/14 capital programme, the procurement of the two remaining sweepers (sweeper 6 and 7) be carried out following consultation with the Portfolio Holder.

## 17. PEER CHALLENGE

A report was considered providing Cabinet with a summary of the findings of the recent Local Government Association (LGA) Corporate Peer Challenge, carried out on the Borough Council from 10-12 October 2012. The summary was supplemented with an action plan, based on these findings, which could be found at Appendix A and a letter from the Peer Challenge team, found at Appendix B.

The Council invited their peers to conduct a review to assess the Council's strengths and weaknesses. The Council had opted to put the work programme in place through the Business Improvements and Partnerships department, to ensure the recommendations from the review were implemented. It had been agreed that the work programme would line up with the recommendations in the letter from the review team. By bringing the report into the public domain it was showing transparency by the Council.

Thanks were extended to Cabinet Members, external partners, Chairs and Vice-Chairs of Committees, backbench Members and to the review team who worked very hard whilst here. The review team were pleased with the progress the Council was making and offered advice for further improvements.

It was proposed that there be an additional resolution 'd' that approval be given to the Local Government Association so that they may publish the letter from the Peer Challenge team on their website

**RESOLVED:** (a) That Cabinet notes the contents of the report and the letter from the Peer Challenge team and the suggested action plan at Appendix A, based on the findings of the recent LGA Corporate Peer Challenge.



(b) That the Cabinet makes any further amendments or suggestions to the action plan.

(c) That Cabinet approved implementation of the action plan, led by the relevant members of the Executive Management Team (EMT) in consultation with the appropriate Portfolio Holder(s) and also the relevant Overview and Scrutiny Committee(s).

(d) That Cabinet approve that the Local Government Association may publish the letter from the Peer Challenge team on their website.

18. **URGENT BUSINESS**

There was no urgent business.

**Chair**