

CABINET

MINUTES OF MEETING Monday 2nd December 2019

PRESENT: Councillor Brett (Chair); Councillors Daalat Ali, Blundell and Heakin

OFFICERS: Steve Rumbelow (Chief Executive), Neil Thornton (Director of Resources), Gail Hopper (Director of Children's Services), Julie Murphy (Chief Finance Officer), Mark Robinson (Assistant Director – Economy), Peter Maynard, Jo Oliver and Robert Scott (Neighbourhoods Directorate), Jim Hopkinson (Children's Services Directorate), Carolyn Goddard, Keith McKenzie and Alison James (Resources Directorate)

ALSO IN ATTENDANCE: Councillor Cocks, Councillor Dearnley, Councillor Hartley, Councillor Massey, Councillor Rana, Councillor Smith and Councillor Wazir. Two members of the public.

45 APOLOGIES

Apologies for absence were received from Councillor Neil Emmott, Councillor Emsley, Councillor Robinson, Councillor Rowbotham and Councillor Wardle.

46 DECLARATIONS OF INTEREST

There were no declarations of interest.

47 URGENT ITEMS OF BUSINESS

There were no urgent items of business.

48 MINUTES

Resolved:

That the minutes of the meeting of Cabinet held on 29th October 2019 be approved and signed as a correct record.

49 BURY AND ROCHDALE YOUTH JUSTICE PLAN 2019 - 2021

Cabinet considered the report of the Director of Children's Services which presented the Youth Justice Plan 2019/21 and highlighted some of the key achievements in reducing re-offending during 2018/19. The report also provided the areas for improvement that the service would focus upon, as set out in the Service Improvement Plan appended to the report.

Alternatives considered:

There were no alternatives as the Youth Justice Plan is a statutory plan.

Resolved:

1. That the Youth Justice Plan 2019/21 and performance summary for the period 2019/19 be noted.

Reasons for the recommendation:

Local authorities continue to have a statutory duty to submit an annual youth justice plan relating to the provision of youth justice services. Section 40 of the Crime and Disorder Act 1998 sets out the youth offending partnership's responsibilities in producing this plan. It states that it is the duty of each local authority, after consultation with the partner agencies, to formulate and implement an annual youth justice plan, setting out:

- (a) How youth justice services in their area are to be provided and funded; and
- (b) How the YOT will be composed and funded, how it will operate, and what functions it will carry out.

Eligible for call in – no

50 2020/21 COUNCIL TAX TAXBASE

Cabinet considered the report of the Chief Finance Officer which requested that the statutory Council Tax Base calculation for 2020/21, calculated in accordance with The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 as part of the 2020/21 Estimates process and the precept payment dates for 2020/21 be recommended to Council for approval.

Cabinet members were informed that the Corporate Overview and Scrutiny Committee would consider the report in January 2020. The Chair of the Corporate Overview and Scrutiny Committee had been consulted and had indicated he was satisfied with the recommendations being put forward.

Alternatives considered:

No alternative is available, as the Council has a statutory requirement to calculate and approve a Council Tax base each financial year.

Resolved:

That Council on 18th December 2019 be recommended to approve:

1. That the Council Tax base expressed for “Band D equivalent properties” should be 55,745 for 2020/21 (55,176 2019/20) as detailed at Appendix 1 to the submitted report;
2. That the proposed precepts payment schedule be as follows:

20th April 2020	20th October 2020
20th May 2020	20th November 2020
22nd June 2020	21st December 2020
20th July 2020	20th January 2021
20th August 2020	22nd February 2021
21st September 2020	22nd March 2021

Reasons for the recommendation:

Rochdale Borough Council, as a Council Tax billing authority, is required each year to make statutory calculations specified in Section 33 of the Local Government Finance Act 1992 (as amended). The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 require authorities to calculate the Council Tax base (number of taxable properties), expressed as "Band D equivalent properties". Approval of these calculations is required by 31st January in each financial year.

The Local Government Finance Act 1992 prescribes the procedures to be adopted in setting precept payment dates. The Act requires billing authorities to notify precepting authorities of a proposed payments schedule. This notification must be given before 31st December in respect of the following financial year. The final payments schedule is then confirmed by 31st January.

The calculation of the tax base has to be made by 31st January and notified to the major precepting and levying authorities. Under Section 84 of the Local Government Act 2003 the determination can be delegated to a committee or sub-committee in accordance with Section 101 of the Local Government Act 1972.

Eligible for call in – no

51 2020/21 SETTING OF THE BUSINESS RATE BASE

Cabinet considered the report of the Chief Finance Officer which sought approval from Council on 18th December 2019 for the setting of the Business Rates baseline for 2020/21 in accordance with the Local Government Finance Act 1988 and the Non-Domestic Rating Regulations 2013 and the precept payment dates for 2020/21.

Cabinet members were informed that the Corporate Overview and Scrutiny Committee would consider the report in January 2020. The Chair of the Corporate Overview and Scrutiny Committee had been consulted and had indicated he was satisfied with the recommendations being put forward.

Alternatives considered:

No alternative is available, as the Council has a statutory requirement to estimate and set a Business Rates Baseline each financial year.

Resolved:

That Council on 18th December 2019 be recommended to approve:

1. That the draft Business Rate baseline figure be £63.991m for 2020/21, subject to any changes which may result from:

- The provisional Local Government Finance Settlement 2020/21;
 - The issue of the Ministry of Housing, Communities & Local Government (MHCLG) guidance on completion of the 2020/21 Business Rates baseline return (NNDR1), due in January 2020.
2. That the Chief Finance Officer, in consultation with the Cabinet Member for Finance, to be authorised to conclude and agree the final Business Rates baseline return (NNDR1) due on 31 January 2020, should the final information yet to be received from MHCLG change the baseline figure for 2020/21.
 3. That the proposed precepts payment schedule be as follows:

20th April 2020	20th October 2020
20th May 2020	20th November 2020
22nd June 2020	21st December 2020
20th July 2020	20th January 2021
20th August 2020	22nd February 2021
21st September 2020	22nd March 2021

Reasons for the recommendation:

The Non-Domestic Rating (Rates Retention) Regulations 2013 (SI 2013/452) require billing authorities to notify the Secretary of State and their major precepting authority of their calculation of non-domestic rating income for the following financial year and the estimated surplus/deficit on the Collection Fund by 31st January each year.

The figures are produced subject to the MHCLG guidance being published and provided, following which the figure in this report may have to be revisited.

Eligible for call in – no

52 2020/21 LOCAL COUNCIL TAX SUPPORT SCHEME

Cabinet considered the report of the Chief Finance Officer which proposed changes to the Council's Local Council Tax Support scheme for 2020/21. The changes were proposed so that the scheme remained fit for purpose for working age residents in receipt of Universal Credit.

Cabinet members were informed that the Corporate Overview and Scrutiny Committee would consider the report in January 2020. The Chair of the Corporate Overview and Scrutiny Committee had been consulted and had indicated he was satisfied with the recommendations being put forward.

Alternatives considered:

The current Local Council Tax Support scheme could continue unchanged for 2020/21. This would create confusion and uncertainty for the growing number of Universal Credit customers.

Resolved:

That the following recommendations be approved to form the basis of a report to Council on 18 December 2019:

- That the findings of the consultation process for the review of the Local Council Tax Support Scheme for 2020/21 be noted;
- That the introduction a banded income scheme for 2020/21 for working age residents in receipt of Universal Credit in line with Sections 4.1, 4.2 & 4.3 of the report, following the outcome of the consultation exercise as detailed in Section 7 of the report be approved;
- That the Local Council Tax Support Scheme for 2020/21 will be approved in accordance with Section 67 of the Local Government Finance Act 1992 as amended.

Reasons for the recommendation:

Schedule 1A of the Local Government Finance Act 1992 as amended requires local authorities to consider whether to revise or to replace its Local Council Tax Support Scheme each year. Any revisions or a replacement scheme must have been considered and agreed for operation from 1 April 2020.

Eligible for call in – no

53 COUNCIL TAX EMPTY PROPERTY CHARGES

Cabinet considered the report of the Chief Finance Officer which sought approval to increase the council tax empty property premium from 100% to 200% with effect from 1 April 2020 for properties that have been empty in excess of 5 years.

Cabinet members were informed that the Corporate Overview and Scrutiny Committee would consider the report in January 2020. The Chair of the Corporate Overview and Scrutiny Committee had been consulted and had indicated he was satisfied with the recommendations being put forward.

Alternatives considered:

The empty property premium could remain at 100%. However, Government has identified that additional measures are needed to continue the improvements already made and have amended the legislation.

Of the 238 properties that are currently subject to the premium, 61 have been empty in excess of 5 years and a further 34 in excess of 10 years, so there are still problems locally that need to be addressed and the 100% premium isn't working in these cases.

The 95 long-term empty properties that have been empty in excess of 5 years and the other 143 that have been empty more than 2 years are causing problems in their communities and adding pressure on the overall housing stock.

Resolved:

1. That the council tax empty property premium being increased from 100% to 200% with effect from 1 April 2020 for properties that have been empty in excess of 5 years be approved.

Reasons for the decision:

In April 2013, Government gave local authorities power to determine the level of empty property discounts in dwelling classes B, C and D (Section 12 of the Local Government Finance Act 2012). The power included an option to charge a premium of up to 50% where a property has been empty in excess of two years. The Council decided to introduce a 50% premium with effect from 1 April 2013 and increased this to 100% with effect from 1 April 2019.

From 1 April 2020, Government is increasing the optional maximum empty property premium charge to 200% for properties that have been empty in excess of 5 years.

With effect from 1 April 2021, Government is also increasing the optional maximum empty property premium charge to 300% for properties that have been empty in excess of 10 years.

Eligible for call in - yes

54 RISK BASED VERIFICATION

Cabinet considered the report of the Chief Finance Officer which sought approval to stop using the Risk Based Verification policy for Housing Benefit and Local Council Tax Support claims from 1 April 2020.

Cabinet members were informed that the Corporate Overview and Scrutiny Committee would consider the report in January 2020. The Chair of the Corporate Overview and Scrutiny Committee had been consulted and had indicated he was satisfied with the recommendations being put forward.

Alternatives considered:

The Risk Based Verification policy could continue to operate. However, its primary purpose of identifying high and medium risk Housing Benefit claims for people of working-age has been removed by the introduction of Universal Credit full service.

Resolved:

1. That the ending of the use of the Risk Based Verification policy for Housing Benefit and Local Council Tax Support claims from 1 April 2020 be approved.

Reasons for the Decision:

On 3 August 2015, Cabinet approved the implementation of the Risk Based Verification policy for Housing Benefit and Local Council Tax Support claims.

Risk Based Verification is a method of applying different levels of verification checks to benefit claims according to the predicted risk associated with those claims. This policy was primarily aimed at Housing Benefit claims from people of working-age.

Following the introduction of Universal Credit full service on 16 May 2018, the majority of new claims from people of working-age who need help to pay their rent have to be made to the Department for Work and Pensions.

Claims from people of pension age and claims for Local Council Tax Support are in the main low risk and the Risk Based Verification policy is no longer considered to be necessary.

Eligible for call in – yes

55 CAPITAL PROGRAMME 2020/21 TO 2022/23

Cabinet considered the report of the Chief Finance Officer which outlined the Council's proposed Capital Programme for 2021/22 to 2022/23.

The report would be submitted to the Corporate Overview and Scrutiny Committee in January 2020.

Alternatives considered:

The Council is legally obliged to set a balanced budget. The budget setting process is complex and must be undertaken in a planned way. Budgets are prepared in accordance with the approved guidelines.

A number of alternative elements of the Capital Programme were considered in the development of the programme, the one which is presented is of the most strategic/community value and therefore forms the basis for Public Consultation, on the understanding that any alternatives offered during that process will be considered.

Resolved:

1. That the 2020/21 (£80.723m) Capital Programme and provisional programmes for 2021/22 and 2022/23, be approved for the purposes of consultation, subject to confirmation of grant funding allocations.

Reasons for the decision:

The provisional 2020/21 to 2022/23 Capital Programme is presented to Cabinet for consultation as part of the budget setting process.

Eligible for call in – no

56 FINANCE UPDATE REPORT 2019/20

Cabinet considered the report of the Chief Finance Officer which provided details of the Council's forecast 2019/20 financial position as at the end of September 2019.

The report would be submitted to the Corporate Overview and Scrutiny Committee in January 2020.

Alternatives considered:

Not reporting on financial performance puts at risk the achievement of the Council's Medium Term Financial Plan. Effective budget management is critical to ensuring financial resources are spent in line with the budget and are targeted towards the Council's priorities. Monitoring enables the early identification of variations against the plan and facilitates timely corrective action.

Resolved:

1. That the forecast 2019/20 budget positions for Revenue, Savings and Capital as at the end of September 2019 be noted;
2. That the £6.700m additional contribution to the pooled fund detailed in paragraph 4.1.3 of the submitted report, noting £0.823m to be reduced off the 2020/21 contribution be approved;
3. That the Revenue Budget Pressure Fund requests for 2019/20 totalling £0.091m detailed in section 4.1.4. of the submitted report be approved;
4. That the Capital funding switch detailed in section 4.1.3. of the submitted report be approved;
5. That the net Capital re-phasing of £7.210m detailed in section 4.4.2. of the submitted report be noted;
6. That the Treasury Management update which as detailed in Appendix G. of the submitted report be noted;

Reasons for the decision:

Cabinet Members should be kept updated on the financial position of the authority, as effective budget management is critical to ensuring the financial resources are spent in line with the budget and are targeted towards the

Council's priorities. Monitoring enables the early identification of variations against the plan and facilitates timely corrective action.

This report provides an overview of the forecast 2019/20 financial position for the Council and focuses on the position as at the end of September 2019.

Eligible for call in – no

57 COLLECTION FUND 2019/20

Cabinet considered the report of the Chief Finance Officer which provided details of the forecast Collection Fund outturn position for 2019/20 as at the end of September 2019.

The report would be submitted to the Corporate Overview and Scrutiny Committee in January 2020.

Alternatives considered:

Not reporting on financial performance puts at risk the achievement of the Authority's Medium Term Financial Strategy. Effective financial management is critical to ensuring that financial resources are received in line with the budget, which enables them to be targeted towards the Council's priorities.

Resolved:

1. That the forecast 2019/20 Collection Fund outturn position be noted:
2. That it be noted that the Council is due to receive £1.470m from Greater Manchester Combined Authority in respect of 2018/19 Business Rates growth previously paid, and this will be held in the Business Rates Growth Reserve, as detailed in paragraph 4.2.5.

Reasons for the decision:

The Collection Fund forecast outturn report for 2019/20 is presented to Cabinet for noting as part of the budget monitoring process.

Eligible for call in – no

58 EXCLUSION OF PRESS AND PUBLIC

Resolved:

That the Press and Public be excluded from the meeting during consideration of the following three items of business, in accordance with the provisions of Section 100A (4) of the Local Government Act 1972, as amended.

Reason for the Decision:

Should the press and public remain during debate on these three items there may be a disclosure of information that is deemed to be exempt under Parts 1 and 4 of Schedule 12A of the Local Government Act 1972.

59 AFFORDABLE HOUSING FUND

Cabinet considered the report of the Director of Neighbourhoods which outlined proposals for the Affordable Housing Fund (AHF).

Alternatives considered:

Not invest AHF monies. This would result in the risk of losing available funding as Section 106 planning obligations which remain unspent must be returned to developers from whom they were secured if not spent on their defined purpose.

Continue to rely on Registered Providers and private developers for all new housing delivery – this could run the risk of the gaps in provision.

Resolved:

1. That the issues/difficulties currently affecting housing provision within the Borough as referred to in the submitted report be noted;
2. That the use of AHF monies to invest in housing schemes to meet the housing needs in the Borough and to meet all costs, as set out in Section 4 of the submitted report be approved;
3. That the delegation to the Property and Growth Fund Sub-Committee in conjunction with the Director of Resources and the Director of Neighbourhoods to approve all project-specific costs and actions necessary to deliver specific projects to completion be approved.

Reasons for the decision:

In order to release the AHF for investment in affordable housing to meet housing need.

Eligible for call in - yes

60 WASTE LEVY ALLOCATION METHODOLOGY AGREEMENT

Cabinet considered the report of the Director of Neighbourhoods which provided an update on the Levy Allocation Methodology Agreement (LAMA) for waste and recycling between the Greater Manchester Combined Authority – Waste and Resources and district members.

Alternatives considered:

Failure to agree the new LAMA will result in the original payment mechanism being applied

Resolved:

1. That Council be recommended to approve:-
 - The new Levy Allocation Methodology Agreement (LAMA);
 - Authority being delegated to the Director of Resources in consultation with the Cabinet Member for Resources to approve any further changes to the LAMA which are not considered material.

Reasons for the decision:

Following the award of a new contract which commenced on 1 June 2019 to manage waste and recycling facilities across Greater Manchester it is necessary for all constituent districts to agree a revised LAMA to reflect the revised financial arrangements from 1 April 2020.

Eligible for call in – no