
CABINET

Wednesday, 6th February, 2019

Present: Councillor Miles Parkinson (in the Chair), Councillors Paul Cox and Gareth Molineux

In Attendance: Councillors Dobson, Lisa Allen, Noordad Aziz, June Harrison

Apologies: Councillors Clare Cleary, Munsif Dad and Joyce Plummer

287 Apologies for Absence

Apologies for absence were submitted on behalf of Councillors Cleary, Plummer and Dad.

288 Declarations of Interest and Dispensations

There were no declarations of interest or dispensations.

289 Minutes of Cabinet

The Minutes of the meeting of Cabinet held on 9th January 2019 were submitted for approval as a correct record.

Resolved - **That the Minutes be received and approved as a correct record.**

290 Minutes of Boards, Panels and Working Groups

The Minutes of the following meetings were submitted:-

- a) Cabinet Street Naming Committee – 7th November 2018
- b) Regeneration and Housing Panel - 19th November 2018

Resolved - **That the Minutes be received and noted.**

291 Reports of Cabinet Members

There were no reports.

292 Rhyddings Park Coach House Lease Update

The Deputy Leader of the Council (Councillor Paul Cox) submitted a report that sought approval for the Friends of Rhyddings Park to operate the café in the Coach House building in Rhyddings Park

Approval of the report was not deemed a key decision.

Reasons for Decision

One of the Rhyddings Park project outcomes agreed with the Heritage Lottery Fund is to use the Coach House building as meeting rooms, a cafe and a training kitchen. Cabinet agreed to lease the Coach House building to the Friends of Rhyddings Park on 18 July 2018. Members were previously advised that Bootstrap Enterprises would run the café at the Coach House in Rhyddings Park with the intention that the Friends of Rhyddings Park would sublet that part of the Coach House to this local charity. Unfortunately the grant funding opportunities for Bootstrap Enterprises have changed and they are currently not in a position to run the café in the Coach House building.

The Friends Of Rhyddings Park have been operating the café for events and on Saturday and Sunday mornings on license. This has proved a real success and the Friends Of Rhyddings Park have proposed they run the café on allocated days during the week instead of Bootstrap Enterprises. The Friends Of Rhyddings Park is a registered charitable incorporated organisation but it is possible that they may create a new social enterprise company for the purpose of running the café.

Members of Friends Of Rhyddings Park have undertaken food hygiene training, have appropriate food safety management systems in place and been awarded a 5 star rating by the Councils Food & Safety team, so are seen as a suitable organisation to run the café going forward. The intention is that all profit derived from the café operation will be used by the Friends Of Rhyddings Park for the betterment of the use of the Coach House building and/or Park. This profit may be used to help fund events in Rhyddings Park, Friends Of Rhyddings Park activities, and not necessarily maintenance or running costs of the building and/or park.

Alternative Options Considered and Reasons for Rejection

Do not permit the Friends Of Rhyddings Park to run the café in the Coach House building. This is not recommended as it is a key requirement of the HLF project for Rhyddings Park and the Friends Of Rhyddings Park already operate the café at weekends and for events.

Resolved

- (1) That the original lease condition be varied to permit the Friends of Rhyddings Park the legal capacity, as considered appropriate, to operate the cafe in the Coach House building in Rhyddings Park;**
- (2) That authority be delegated to the Head of Housing & Regeneration in consultation with the Portfolio Holder for Environmental Services and the Executive Director (Legal & Democratic Services) to agree the terms of the lease and complete with the Friends of Rhyddings Park.**

293 Council Tax Empty Property Liability Report

The Portfolio Holder for Resources (Councillor Joyce Plummer) submitted a report to seek further the Council's strategy to improve its housing stock and the regeneration of Hyndburn by adopting new Government provisions on premium rates of Council Tax for properties that are left vacant for over two years.

Approval of the report was not deemed a key decision.

Reasons for Decision

The national problem of a housing shortage and many existing properties that are empty is well documented. Hyndburn has historically suffered from a higher than normal percentage of empty properties, many are left vacant for long periods and blight their neighbourhoods. The Council has attempted to address the number of empty properties for a considerable time as part of its efforts to regenerate Hyndburn and provide better places to live. The Council welcomed and acted upon the Government's initial introduction of a premium on Council Tax in 2013 for long term empty properties as a means of encouraging their occupation. While the initial Government legislation that took effect in 2013 has helped reduce the number of empty properties, there are still over 1000 empty properties that remain in Hyndburn that cause damage to our housing market and neighbourhoods. The Council is therefore proposing to introduce the new Government rules fully, to further help reduce the overall number of empty properties.

Alternative Options Considered and Reasons for Rejection

Do nothing – the new legislation provided local authorities with the discretionary power to apply premiums to empty properties and there remains the option to retain the premium levels we currently apply or delay the implementation of further premiums.

Alternative premium levels – the new legislation allows local authorities to apply premiums up to the maximum levels outlined in the report and lower premiums within these limits could be applied.

Having considered the positive contribution that the existing premium has made towards bringing empty properties back into use, this report recommends that the new premium structure is applied in full up to the maximum levels. Provisions remain within existing policy and legislation to lower the premiums if properties are being actively marketed for sale or rent as well as discretionary powers to remit Council Tax liabilities in extenuating circumstances.

- Resolved**
- (1) That the Council Tax Empty Property Liability Policy be approved; and**
 - (2) That the empty property premiums be introduced incrementally from April 2019 to April 2021, as set out in the report and in accordance with provisions in The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018.**

The following item was submitted as urgent business with the Chair's agreement in accordance with Section 100B(4) of the Local Government Act 1972, the reason being to ensure the latest up to date information was included in the report.

294 Vehicular Management Within Accrington Town Centre

The Deputy Leader of the Council (Councillor Paul Cox) submitted a report to inform Cabinet of the arrangements for vehicular management to the Accrington Market Hall Service Yard, Broadway and the new Town Square and seek approval to utilise Automatic Number Plate Recognition, (ANPR) cameras.

Members were requested to consider the Privacy Impact Assessment appended to the report prior to taking a decision in respect of the recommendations attached to the report.

Councillor Dobson referred to 3.9 of the report and expressed concern that the proposed adoption of Council regulations could inhibit deliveries for some shops.

Approval of the report was not deemed a key decision.

Reasons for Decision

The area between the Market Hall and Town Hall is the vehicle access for servicing the Open Market, the Market Hall, the shops on Broadway that back on to the yard and the shops that form part of the Accrington Market Square.

As part of the Broadway development in 2004/05, the Council and the then owners of the Town Hall extension building entered into a Deed of Grant for the area, known as the South Service Yard. This provided for the Service Yard to be just that and for the area not to be used as a car park. The Deed of Grant was dated 26th May 2005. As part of this agreement, there is a loading/unloading policy in line with the terms of the leases issued to both Broadway and Market tenants.

The new paving from the Town Square and the provision of four loading/unloading spaces allocated to Lancashire Police has greatly reduced the number of spaces available for Broadway and Market tenants to use. This is causing difficulties for the tenants in servicing their businesses as there is insufficient availability.

ES Parking Solutions already operate a number of ANPR cameras for other organisations, the nearest being the Arndale Car Park. The company is registered as an International Parking Community (IPC) Accredited Contractor, and member of the Safe Contractors Scheme.

The current method of enforcement involves officers patrolling the different locations. However, this does not deal with the number of vehicles that access the Service Yard, Broadway and the area in front of the Market Hall on the new Town Square out of hours i.e. late night when officers do not patrol. The installation of ANPR cameras linked to a parking charge notice enforcement system would make the process more effective, and greatly improve vehicle management of the areas.

ES Parking Solutions have offered to provide ANPR camera/s and ongoing costs at zero cost to the Council. They are also providing all permits, clear wallets and signage free of charge.

Business owners and marker traders with access the service yard and Broadway will be informed prior to ANPR cameras going live in February 2019 and all old permits and agreements will be withdrawn. New loading/unloading permits will be issued, together with the installation of new signage to inform drivers.

Alternative Options Considered and Reasons for Rejection

Terminating and/or not amending the existing agreement with ES Parking Solutions could result in abuse of, Broadway, the Council's land directly in front of the Market Hall and the Market Hall Service Yard. It is highly likely it would also lead to congestion, indiscriminate parking, danger to staff/members of the public and breach of covenant included in the Deed of Grant relating to other users of the Service Yard.

The parking enforcement contractor cannot provide foot patrols to every area 24/7 and there are genuine Health and Safety concerns in deploying lone workers late at night to issue tickets.

Resolved

- (1) That authority be delegated to the Executive Director (Environmental Services) in consultation with the Portfolio Holder for the Environment to agree appropriate terms (including data sharing and data protection arrangements) and amend the current agreement with ES Parking Solutions for the Market Hall Service Yard, to include Broadway and the Council's land directly in front of the Market Hall on the new town square as shown edged in blue on the attached Vehicular Management Plan;**
- (2) That existing officer patrols be supplemented with the addition of ANPR cameras where possible on the Market Service Yard, Broadway and in front of the Market Hall to reduce vehicle access/authorised parking; and**
- (3) That loading/unloading regulations for the Market Hall Service Yard be adopted, as set out in the report and authority be delegated to the Executive Director (Environmental Services) in consultation with the relevant Portfolio Holder to make any future amendments to the same.**

The following items were submitted as urgent business with the Chair's agreement in accordance with Section 100B(4) of the Local Government Act 1972, the reason being to ensure the latest up to date financial information was included in the reports.

295 Financial Position December 2018-19 - Report for the Year Ending 31st March 2019

The Portfolio Holder for Resources (Councillor Joyce Plummer) submitted a report relating to the financial spending of the Council at the end of December 2018 and the financial forecast outturn position for the Accounting Year 2018/19. The financial detail of the report was appended to the report. The spend against Budget in the nine months of the year was £8,022,653 against a Budget of £8,138,859 leaving a positive variance of £116,000. The forecast spend for the year to 31st March 2019 was £10,998,000 against a Budget of £11,174,000. This forecast produces a positive variance of £176,000. The main area of financial pressure is from Town Centre & Markets. All other Budget Areas are predicting a surplus position compared to their Budget by the year-end.

Approval of the report was not deemed a key decision.

Reasons for Decision

To inform Cabinet of the financial spending of the Council at the end of December 2018 and the prediction of the outturn position to the end of the financial year in March 2019.

There were no alternative options for consideration or reasons for rejection.

Resolved

- That the report be noted and Corporate Management Team be asked to reduce costs and increase income over the remainder of the year to improve the Council's overall financial position.**

296 Medium Term Financial Strategy 2019/20 to 2021/2022

The Portfolio Holder for Resources (Councillor Joyce Plummer) submitted a report relating to the three year projections of income and spending for the Council ahead of formulating its 2019/20 Revenue and Capital Budget. The Medium Term Financial Strategy was attached to the report and set out for the next three years:-

(a) The way in which the Council went about its financial planning processes, especially in relation to the corporate budget planning cycle, which was subject to the Budget and Policy Framework Procedure Rules.

(b) An updated action plan for the process and arrangements for reporting on progress to date in formulating and updating future years' budgets. Specifically the report updated the Medium Term Financial Strategy presented to Cabinet in October 2018.

Appendix 1 of the background to the current budget predictions in figures to give an idea of commitments, funding and potential Council Tax levels. Two further scenarios were provided in Appendices 2 and 3 to outline the potential range of values over the coming period. Appendix 2 indicated the outer level of what the Council could face in a pessimistic future, whilst Appendix 3 showed an optimistic forecast based on many things going in the Council's favour over the next three years. The figures in Appendix 1 however remained the current best estimate of the likely financial position over the next three years.

The following aspects were addressed in the Strategy:-

- ❖ Introduction
- ❖ Objectives
- ❖ Elements of the Medium Term Financial Strategy
- ❖ Service Planning to Support Overall Strategy
- ❖ Integrated Resource Planning with Service Plans
- ❖ Background Information
- ❖ Financial Analysis 2018/19 to 2020/21
- ❖ Resources
- ❖ Government Grant
- ❖ Council Tax
- ❖ Expected Loss of Income
- ❖ Changes in Costs
- ❖ Pension Costs
- ❖ Supplies and Service Costs
- ❖ Capital Costs
- ❖ Growth
- ❖ Reserves
- ❖ Other Assumptions
- ❖ Equality Impact Assessment
- ❖ Scenarios
- ❖ Robustness of Forecast
- ❖ Overall Net Position

Approval of the report was not deemed a key decision.

Reasons for Decision

Cabinet required an update on its medium term financial outlook ahead of setting the Budget for 2019/20 and determining the level of Council Tax. The report also ensured those decisions were taken with a view to the overall position of the Council going forward and were not limited to a narrow one year perspective.

There were no alternative options for consideration or reasons for rejection.

Resolved

- That the report and accompanying Medium Term Financial Strategy (MTFS) be approved.

297 Prudential Indicators and Treasury Management and Investment Strategy 2019/20 to 2021/2022

The Portfolio Holder for Resources (Councillor Joyce Plummer) submitted a report setting out the Council's policy and objectives with respect to treasury management, explaining how it would achieve its objectives and manage its activities; and to agree an investment strategy for 2019/20.

The Minimum Revenue Provision Policy Statement 2019/20 and the Treasury Management Policy Statement 2019/20 were attached to the report as Appendices 1 and 2 respectively. The Treasury Management Practices 2019/20 were set out in Paragraph 14 of the report and Appendix 3. The Capital Strategy 2019/20 was set out in Appendix 4 of the report.

The Prudential Code for Capital Finance in Local Authorities was a professional code which set out the framework for self-regulation of capital spending and financing. It allowed councils to invest in capital projects without any limit as long as such investment was affordable, prudent and sustainable. The Code was produced by Cipfa and required the Council to agree and monitor a minimum number of prudential indicators (including limits and statements) which related to affordability, prudence, capital expenditure, external debt and treasury management. The indicators were purely for internal use and were not designed to be used as comparators between councils.

The Council was also required to set out its Treasury Management and Investment Strategy for borrowing and investment activities and the effective management of associated risks, in accordance with the Chartered Institute of Public Finance and Accountancy (Cipfa) Code of Practice on Treasury Management in Public Services, as revised or supplemented by Cipfa from time to time.

The following aspects were addressed in the report:-

- ❖ Prudential Code and Prudential Indicators
- ❖ Capital Expenditure and Capital Financing Requirement
- ❖ Estimated Capital Expenditure
- ❖ Minimum Revenue Provision
- ❖ Affordability Prudential Indicators
- ❖ Treasury Management Strategy 2019/20 – 2021/22
- ❖ External Debt Overall Limits
- ❖ External v Internal Borrowing
- ❖ Limits on Activity
- ❖ Debt Rescheduling
- ❖ Investment Strategy
- ❖ Treasury Management Practices
- ❖ Policy on the Use of External Service Providers
- ❖ Treasury Management Strategy In-Year and Year End Reporting

Approval of the report was not deemed a key decision.

Reasons for Decision

(1) Treasury management was defined as the management of the Council's investment and cash flows, its banking, money market and capital market transactions, the effective

control of the risks associated with those activities and the pursuit of optimum performance consistent with those risks.

(2) The Council was required to operate a balanced budget which meant that cash raised during the year would meet cash expenditure. Part of treasury management was to ensure the cash flow was properly planned with cash available when needed. Surplus monies were invested in line with the Council's low risk preferences.

(3) The second function of treasury management was funding the Council's capital plans. The plans gave a guide to the future borrowing need of the Council. The management of that longer term cash flow might involve arranging long or short term loans or using longer term cash flow surpluses. Occasionally, outstanding debt might be restructured to reduce Council risk or meet cost objectives.

(4) The report had been prepared in line with the Treasury Management Code and Guidance (2017) written by the Chartered Institute of Public Finance and Accountancy (Cipfa). In the case of local authorities in England and Wales, the Code was significant under the provisions of the Local Government Act 2003. That required local authorities 'to have regard (a) to such guidance as the Secretary of State might issue, and (b) to such other guidance as the Secretary of State might by regulations specify'. Paragraph 24 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 required local authorities to have regard to that guidance and acceptance of the report fulfilled those obligations.

There were no alternative options for consideration or reasons for rejection.

Resolved

- That Council be recommended to:-

(i) Adopt the prudential indicators and limits detailed in the report;

(ii) Approve the Treasury Management Strategy and associated indicators, as set out in Section 8 of the report;

(iii) Approve the Investment Strategy, as set out in Section 13 of the report;

(iv) Approve the Minimum Revenue Provision (MRP) for the year 2019/20, as set out in Appendix 1 of the report;

(v) Approve the Treasury Management Policy Statement 2019/20, as set out in Appendix 2 of the report;

(vi) Approve the Treasury Management Practices Statement 2019/20, as set out in Appendix 3 of the report

(vii) Approve the Capital Strategy 2019/20, as set out in Appendix 4 of the report.

The Portfolio Holder for Resources (Councillor Joyce Plummer) submitted a report setting out proposals for the 2019/20 General Fund Revenue Budget. The report also provided an overview of key issues which had arisen from the Medium Term Financial Strategy. The decision to set the Budget would be a key decision of the Council and the role of the Cabinet was to recommend a proposed Budget to Council. The 2019/20 Revenue Budget required a net expenditure of £10,995,000 and under the budget proposals, Council Tax for Hyndburn residents would rise by £5.00 per year for a band D property. The amounts due for each band are shown in Appendix 4 of the report. Altham Parish Council had issued a separate precept requirement for its activities but does not intend to increase its precept. The following information was attached to the report:-

- Appendix 1 - Initial Outline Budget 2019/20
- Appendix 2 - Revenue Budget 2019/20
- Appendix 3 - Saving Proposals 2019/20
- Appendix 4 - Hyndburn Borough Council Tax Increase 2019/20 by Property Band
- Appendix 5 - Overall Change in Council Tax 2019/20
- Appendix 6 - Altham Parish Precept 2019/20 by Property Valuation Band

Approval of the report was not deemed a key decision.

Reasons for Decision

The recommendations in the report provided an appropriate platform on which the Cabinet could recommend a Budget for the Council which met the objectives and key priorities of the people of Hyndburn.

Alternative Options Considered and Reasons for Rejection

A wide number of individual proposals had been put forward to produce a Balanced Budget. Options had been rejected on a variety of grounds including policy objectives, practicalities and the potential for additional costs to be incurred. Further options might be presented at the Council meeting on 21st February 2019.

Resolved

- (1) That an increase in Council Tax for 2019/20 by £5.00 per year for a Band D property be recommended. This would be equivalent to less than 10 pence per week and as most households in Hyndburn are Band A rather than Band D properties, the vast majority of households would only see a rise of 7p per week. That this would be only the third increase in Council Tax by Hyndburn Council in 10 years;**
- (2) That the Budget for 2019/20 would therefore be £10,995,000 as detailed in Appendices 1 and 2;**
- (3) That it be recommended that the list of savings and budget changes for 2019/20, as set out in Appendix 3 of the report, be approved;**
- (4) That the significant improvements made in relation to budget monitoring and cost reduction within the Authority over the past 15 years be noted and the commitment to continuing that approach in the year ahead be confirmed;**

- (5) That it be recommended that during the financial year 2019/20, the Deputy Chief Executive be delegated responsibility to amend the Budget (following consultation with the Leader of the Council) for technical reasons, such as the restructuring of cost centres, the re-apportionment and re-allocation of overheads, etc., provided such amendments had an overall neutral impact on the Budget;
- (6) That it be recommended that during the financial year 2019/20 the Deputy Chief Executive be delegated responsibility to amend the Budget (following consultation with the Leader of the Council) should the estimate of Business Rates not be sufficiently accurate, by drawing on reserves if needed or paying over additional contributions to reserves;
- (7) That to aid future financial management planning, any surpluses generated during 2019/20 be set aside to help the Council to reduce its cost base over the next three years, support its long term capital programme or strengthen its overall reserve position; and,
- (8) That it be recommended that the New Homes Bonus and any additional unring-fenced funding from the Government, as well as any further surplus on the Collection Fund, can be used if required to support Capital expenditure as determined by the Deputy Chief Executive in the overall financing of capital expenditure or be transferred to Reserves.

299 Capital Programme 2019/20

The Portfolio Holder for Resources (Councillor Joyce Plummer) submitted a report inviting Cabinet to consider the Council's capital investment priorities for 2019/20 and to recommend to the Council a capital programme for approval at its meeting on 21st February 2019, having regard to key linkages between the management of the Council's capital and revenue resources. A Capital Programme for 2019/20 of £2,070,128 was appended to the report.

Approval of the report was not deemed a key decision.

Reasons for Decision

The schemes represented the best value for money and met the Council's overall corporate policy objectives, within the funding envelope for the year.

Alternative Options Considered and Reasons for Rejection

A wider programme of funding had not been considered due to the Council's policy commitment to limiting Capital Expenditure to affordable levels and seeking to repay debt.

Resolved - That the following proposals be submitted to Council:-

(1) A Capital Programme for 2019/20 of £2,070,128 as set out in Appendix 1 of the report;

(2) That the Programme be funded by anticipated direct external grants of £1,235,128 and £835,000 of new investment from the Council's resources. External grant funding must be secured before any internal funds are committed to projects that rely on external funding to proceed;

(3) That authority be delegated to the Deputy Chief Executive, in consultation with the Portfolio Holder for Resources, to flex the programme in accordance with the available funding, provided that does not require any additional borrowing;

(4) That the individual projects within the Capital Programme require the written authorisation of the Deputy Chief Executive, following consultation with the Portfolio Holder for Resources, before commencing and incurring expenditure and that Service Managers provide the Deputy Chief Executive with written details of estimated costs of schemes with full justification of the need and benefits from undertaking the capital investments before approval was provided and that approval to commence be delegated to the Deputy Chief Executive, in consultation with the Portfolio Holder for Resources;

(5) That projects be timed to minimise the need for borrowing and the Deputy Chief Executive be requested to seek project start dates after September 2019 whenever that was practical; and,

(6) That in-year underspends are not made available to fund new projects during the year.

300 Exclusion of the Public

Resolved

- That, in accordance with Section 100A(4) Local Government Act 1972, the public be excluded from the meeting during the following item, when it was likely, in view of the nature of the proceedings that there would otherwise be disclosure of exempt information within the Paragraph at Schedule 12A of the Act specified at the item.

The following item was submitted as urgent business with the Chair's agreement in accordance with Section 100B(4) of the Local Government Act 1972, the reason being to ensure the latest up to date information was included in the report.

301 Proposed Disposal of the Council's Land Known as Clayton Triangle

Exempt information under the Local Government Act 1972, Schedule 12A, Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information)

The Cabinet Portfolio Holder for Housing and Regeneration submitted an exempt report to seek Cabinet approval for the disposal of the Council's interest in the land known as Clayton Triangle.

Approval of the report was not deemed a key decision.

Reasons for Decision

The reasons for the decision were set out in the exempt report.

Alternative Options Considered and Reasons for Rejection

The alternative options considered and reasons for rejection were set out in the exempt report.

Resolved - **That the recommendations as set out in the report be approved.**

Signed:.....

Date:

Chair of the meeting
At which the minutes were confirmed