

STEVENAGE BOROUGH COUNCIL

EXECUTIVE
MINUTES

Date: Tuesday 13 September 2016

Time: 14.00 hrs.

Place: Shimkent Room, Daneshill House, Stevenage SG1 1HN

Present: Councillors S Taylor OBE CC (Chair), J Gardner (Vice-Chair), S Batson MBE DL CC, Mrs J Lloyd, R Henry CC, R Raynor, S Speller and J Thomas

Start/End Time: Start Time: 14.00 hrs.
End Time: 16.10 hrs.

1. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

There were no apologies for absence or declarations of interest.

The Chair congratulated Cllr. Speller who had completed a charity bike ride from Lands End to John O'Groats to raise money for the Garden House Hospice and the Phoenix Group for Deaf Children.

2. MINUTES – EXECUTIVE – 12 JULY 2016

It was **RESOLVED** that the Minutes of the meeting held on 12 July 2016 are approved as a correct record for signature by the Chair.

3. MINUTES – EXECUTIVE – 22 JULY 2016

It was **RESOLVED** that the Minutes of the Special meeting of the Executive held on 22 July 2016 are approved as a correct record for signature by the Chair.

4. MINUTES – OVERVIEW & SCRUTINY COMMITTEE AND SELECT COMMITTEES

It was **RESOLVED** that the Minutes of the following meetings are noted-

- A. Community Select Committee – 28 June 2016
- B. Environment & Economy Select Committee – 4 July 2016
- C. Overview & Scrutiny Committee – 14 July 2016

5. ANNUAL TREASURY MANAGEMENT REVIEW

The Executive considered a report for recommendation to Council concerning a review of the operation of the 2015/16 Treasury Management and Investment Strategy.

It was reported that the Audit Committee had considered this report at its meeting on 5 September and agreed that it be recommended to Council.

It was **RESOLVED** that the 2015/16 Annual Treasury Management Review be recommended to Council for approval.

Reason for Decision: As contained in the report.

Other Options Considered: As contained in the report.

6. 2016/17 FIRST QUARTER CAPITAL STRATEGY UPDATE

The Executive considered a report that provided an update on the Council's 2016/17 and 2017/18 capital programme and sought approval for the revisions to the General Fund and Housing Revenue Account capital programme.

It was **RESOLVED**:

1. That the 2016/17 General Fund capital programme net decrease in expenditure of £842,630 is approved (as summarised in paragraph 4.1.2. of the report).
2. That the 2016/17 Housing Revenue Account capital programme net decrease in expenditure of £95,250 is approved (as summarised in paragraph 4.2.2. of the report).
3. That the 2017/18 General Fund capital programme increase in expenditure of £588,850 is approved (as summarised in paragraph 4.3.1. of the report)
4. That the 2017/18 Housing Revenue Account capital programme decrease in expenditure of £7,020,000 is approved (as summarised in paragraph 4.3.2. of the report).

Reason for Decision: As contained in the report.

Other Options Considered: As contained in the report.

7. **CONSULTATION ON AN ARTICLE 4 DIRECTION TO REQUIRE NEW HOUSES OF MULTIPLE OCCUPATION (HMOS) TO GAIN PLANNING PERMISSION**

The Executive considered a report that sought approval to consult upon plans to require new HMOs to apply for planning permission given a rise in the number of new HMOs.

Members thanked the Planning Team for bringing this report forward so speedily.

It was noted that the recommendation at 2.1 of the report was amended to quote the end date of the 28 day consultation as '21 October' and not '18 October'.

The Executive was of the view that there was a need to manage expectations if the Article 4 direction is approved. One of the key concerns of the community was parking and there was the potential for HMOs to add to the number of cars in any one area. Residents therefore should be encouraged to respond to the consultation.

It was explained that should the Article 4 Directive be agreed it could not apply to existing HMOs.

It was **RESOLVED:**

1. That a 28 day consultation is agreed, starting on the 19 of September through to the 21 of October 2016, on making of an Article 4 Direction under Article 4(2) of the Town and Country Planning (General Permitted Development) Order 1995 (as amended) to remove permitted development rights in relation to changes of use from Use Class C3 to Use Class C4 (as defined in the Town and Country Planning [Use Classes] Order 1987, as amended).
2. That the proposed Direction shall apply to all of the area covered by the Council (SBC) and would have the effect of requiring HMOs to gain planning permission.
3. That twelve months advance notice of the Direction taking effect shall be given and the Executive receive a further report in 2017, following the consultation period, in order to decide whether or not to confirm the Article 4 Direction

Reason for Decision: As contained in the report.

Other Options Considered: As contained in the report.

8. **1st QUARTER MONITORING REPORT GENERAL FUND AND HOUSING REVENUE ACCOUNT**

The Executive considered a report that detailed the first quarter budget monitor 2016/17 for the General Fund and Housing Revenue Account.

An addendum that corrected some figures in section 3 of the report was circulated at the meeting.

It was noted that the Housing Development Executive Committee to be held on 21 September would receive a presentation outlining current proposals to increase the Council's housing stock.

Members questioned the level of Housing Benefit Overpayments quoted in the chart at paragraph 3.9.2 and requested that more detail be provided in the second quarter monitor.

The first quarter performance and productivity levels of the Repairs and Voids Service were also challenged. Whilst it was noted that operating costs had successfully been reduced, income levels remained below target. The Executive was informed that a briefing was being planned for the end of September that would highlight progress made against the Repairs & Voids Improvement Plan that was approved by the Executive at its meeting in January 2016.

It was **RESOLVED:**

1. That the 2016/17 1st quarter General Fund projected net increase in expenditure of £440,590 is approved.
2. That it is noted that the cumulative increases made to the General Fund net budget remain within the £400,000 (increase) variation limit delegated to the Executive.
3. That the progress of the 2016/17 approved General Fund savings and growth bids, the carry forward requests and New Homes Bonus projects is noted.
4. That the 2017/18 ongoing net savings of £23,320 that will contribute to the General Fund saving target for future years is approved.
5. That the 2016/17 1st quarter net decrease in HRA surplus of £188,850 is approved.
6. That it be noted that the cumulative increases to the HRA net budget still remain within the £250,000 (increase) variation limit delegated to the Executive.
7. That the progress of the 2016/17 approved HRA savings, growth bids and the carry forward requests be noted.

8. That it be noted that due to the reduction in rental income (para 4.2.8) no net savings have been identified for the HRA for 2017/18 onwards.

Reason for Decision: As contained in the report.

Other Options Considered: As contained in the report.

9. STEVENAGE BOROUGH COUNCIL CORPORATE PLAN FUTURE TOWN FUTURE COUNCIL

The Executive considered a report that sought approval to a draft Corporate Plan for consultation.

Officers were requested to ensure that reference to the Co-operative Council principles were embedded in the Corporate Plan.

It was **RESOLVED:**

1. That the Executive agree the Council's draft Corporate Plan 'Future Town Future Council', as appended to this report;

2. That the approach to consultation on the strategy be agreed as set out in paragraph 4.10 of this report.

Reason for Decision: As contained in the report.

Other Options Considered: As contained in the report.

10. GENERAL FUND MEDIUM TERM FINANCIAL STRATEGY – 2016/2017 – 2020/2021

The Executive considered a report that set out proposals for the Council's Medium Term Financial Strategy for the next five years.

The Executive noted that the reference to the level of increase in Council Tax and Fees and Charges in the Plan was for modelling purposes only and the Council considered all relevant and current implications each year when determining the Budget.

Members were of the view that many people were not fully aware of the extent of the cuts in the Council's budgets over the last five years and this needed to be communicated.

It was acknowledged that in producing a medium term strategy there were many unknowns and variables with particular risks that included the level of income from Business Rates and the percentage to be taken by the County Council, variations to the Council Tax Base and outstanding business valuation appeals.

Officers advised that on balance they believed accepting the four year Rate Support Grant settlement offered by the Government would better

inform the Medium Term Financial Strategy and was less of a risk than not going forward with the proposal.

It was **RESOLVED:**

1. That the Medium Term Financial Strategy (MTFS) principles, as outlined in paragraph 4.5.12 of the report, be confirmed.
2. That the progress against the 'Financial Security' priority, as outlined in section 4.6 of the report, is noted.
3. That, for modelling purposes, Council tax increases are set at the threshold of 1.99%, subject to any change in Government rules to achieve a balanced budget (paragraph 4.8.1 of the report refers).
4. That, for modelling purposes, fees and charges increases be in line with inflation with any increase above inflation used to contribute towards the saving target.
5. That the updated inflation assumptions used in the Medium Term Financial Strategy (section 4.12 of the report refers) are approved.
6. That a General Fund savings target of £2.536million is approved for the period 2016/17 – 2019/20, of which £1.118Million is still to be identified in years 2018/19 and 2019/20, (paragraph 4.6.12 of the report refers).
7. That all General Fund growth approved for priority schemes be funded from within the existing baseline budgets or further savings in addition to the targets identified, (paragraph 4.5.11 of the report refers).
8. That the renamed 'Leaders Financial Security Group' oversees the development of the 2017/18 – 2019/20 savings package.
9. That a minimum level of balances for the General Fund of £2.761million, is approved for 2017/18 (paragraphs 4.17.8 - 4.17.9 of the report refer).
10. That approval is given to the Government's four year funding offer and that Assistant Direct (Finance) submits the MTFS as the Council's efficiency plan by the deadline of the 14 October 2016.
11. That if material changes to forecasts are required following further Government announcements the Assistant Director (Finance) be requested to revise the Medium Term Financial Strategy and re-present it to the Executive for approval.

12. That public consultation be commissioned in line with the requirements of the Council's Consultation and Engagement Strategy.

13. That the Trade Unions and staff be consulted on the key messages contained within the Medium Term Financial Strategies and more specifically when drawing up any proposals where there is a risk of redundancy.

Reason for Decision: As contained in the report.

Other Options Considered: As contained in the report.

11. URGENT PART 1 BUSINESS

None

12. EXCLUSION OF PRESS AND PUBLIC

It was **RESOLVED**:

1. That under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as described in paragraphs 1-7 of Part 1 of Schedule 12A of the Act, as amended by SI 2006 No. 88.

2. That having considered the reasons for the following items being in Part II it be determined that maintaining the exemption from disclosure of the information contained therein outweighs the public interest in disclosure.

13. PART II MINUTES – TUESDAY 12 JULY 2016

It was **RESOLVED** that the Part II Minutes of the meeting of the Executive held on 12 July 2016 are approved as a correct record for signature by the Chair.

14. PART II MINUTES – SPECIAL MEETING – FRIDAY 22 JULY 2016

It was **RESOLVED** that the Part II Minutes of the meeting of the Special Executive held on 22 July 2016 are approved as a correct record for signature by the Chair.

15. DECENT HOMES (INTERNAL WORKS) WORKS CONTRACT AWARD

The Executive considered a Part II report concerning the award of a contract.

It was **RESOLVED** that the recommendations in the report are approved.

Reason for Decision: As contained in the report.

Other Options Considered: As contained in the report.

16. URGENT PART II BUSINESS

None

Chair