

CABINET**MINUTES OF MEETING HELD ON 8 MARCH 2017****I N D E X**

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CABINET

MINUTES OF MEETING HELD ON 8 MARCH 2017

Present:

Councillor G Baxter MBE Leader (in the Chair)

Councillor J Austen
" N Barker
" M Gordon

Councillor Mrs E A Hill
" P R Kerry
" J Lilley

Also Present:

D Swaine - Chief Executive
S Sternberg - Assistant Director of Governance and Solicitor to the Council & Monitoring Officer
B Mason - Executive Director – Operations
P Hackett - Executive Director – Transformation
L Shaw - Managing Director – Rykneld Homes Ltd
N Calver - Governance Manager
S Cottam - Senior Governance Officer (Acting)

527 Apologies for Absence

There were no apologies for absence submitted to this meeting of Cabinet.

528 Declarations of Interests

Members were requested to declare the existence and nature of any disclosable pecuniary interests and/or other interests, not already on their register of interests, in any item on the agenda and withdraw from the meeting at the appropriate time.

Councillors N Barker and Mrs E A Hill declared a disclosable pecuniary interest in Item 8 – Housing Revenue Account (HRA) Budget and Rykneld Homes Management Fee 2017/18 – and Item 11 – Regeneration Update, Rykneld Homes Ltd – arising from their membership of Rykneld Homes Board. They would leave the meeting for consideration of these items.

529 Minutes of Last Meeting

RESOLVED – That the Minutes of the meeting of Cabinet held on 15 February 2017 be approved as a correct record and signed by the Leader.

Non Key Decisions**530 Planning Application Fees: The Government's Offer**

Cabinet considered a report of Councillor G Baxter MBE, Leader of the Council, which set out details of the Government's proposals to enable local authorities to increase Planning Fees by 20% from July 2017 if they committed to invest additional fee income in to their Planning Department.

On 7 February 2017 the Government published the White Paper "Fixing our Broken Housing Market". This White Paper sets out a series of proposals detailing how the Government intend to boost housing supply and over the longer term create a more efficient housing market that more closely matched the needs and aspirations of all households and which supported the wider economic prosperity.

The White Paper set out a number of proposals aimed at local authorities and private developers to ensure planning for the right homes in the right places, and in order to build homes faster. As part of the proposals within the White Paper the Government had indicated that it wished to boost local authority capacity and capability to deliver and also improve the speed and quality with which planning cases were handled.

Following the publication of the White Paper the Department for Communities and Local Government (DCLG) wrote to all local authority Chief Executives on 21 February 2017 setting out more details of the proposals to increase nationally set planning fees. This letter highlighted the lack of capacity and capability in planning departments and could restrict local authorities ability to determine planning applications and subsequently restrict the ability of developers to get on site and build.

Additionally, local authorities had also reported difficulties in recruiting and retaining planners and others with specialist skills needed. Therefore, in order to boost local authority capacity and capability the Government proposed to enable local authorities to increase fees by 20% from July 2017. However, this required authorities to commit to invest the additional income in to their planning departments.

The letter from DCLG indicated that should the Council not wish to charge the increased planning fee the existing fee structure will remain in place. Where authorities do accept, but do not comply with the assurances as given, the Secretary of State would consider reducing the fee levels for that authority back to the original fee level through a change in the regulations. In addition, the letter states that it was also a Government intention to impose a further increase of 20% for those Councils who were delivering the homes their community needed. The letter stipulates that this would be on the understanding that the additional fee income generated would be invested exclusively in to planning services and Government would consult further on the detail of this proposal and the timing of it. At this stage it was not clear how the proposal for this further increase would work.

The letter required a response by Monday, 13 March 2017 and if a response was not received by the deadline then local authorities would not be able to retrospectively request the fee increase. This also applied of local authorities that stated that they do not wish to implement the fee increase.

The report sets out two options that were available and the Council could accept the Government's increased fee offer or not.

RESOLVED – That Cabinet considers the information contained in the report and accepts the proposed 20% increase in planning application fees, and requests that officers provide details of what income would be generated and how this would be spent.

REASON FOR DECISION – Department for Communities and Local Government required a response to its offer by 13 March 2017. If no response was received then the Council will not be able to retrospectively request a fee increase.

ALTERNATIVE OPTIONS CONSIDERED & REJECTED – The options for Cabinet's consideration were detailed in paragraph 2.1 of the report. There were no alternative options considered and rejected.

(Chief Executive officer)

531 Proposed Calendar of Meetings 2017/18

Cabinet considered a report of Councillor G Baxter MBE, Leader of the Council, which sought approval of the Calendar of Meetings for the 2017/18 municipal year.

Attached as an Appendix to the report was the proposed Calendar of Meetings for 2017/18. The schedule had been drawn up using the rules previously used in relation to the facilitation for consideration of statutory business within legal deadlines, Member preferences for commencement times and days of the week and frequency of meetings as set out in the Constitution.

In addition, the schedule had been devised to address some attendance issues at meetings and secure appropriate staff cover. Members were asked to note the following points:-

- There would again be briefings held prior to the first meetings of Licensing, Planning and Audit & Corporate Governance Scrutiny Committees. This would be an opportunity for Members to refresh themselves about the functions of the Committee and their role within it.
- Training for all Chairs and Vice Chairs would be arranged shortly after the Annual Council meeting.
- All Members and Officers would be electronically invited to the meetings listed in the calendar.
- Governance Officers would arrange briefing meetings when required in advance of any relevant Committees. There would be a schedule of these briefing meetings which would tie in with the legal requirements for despatch of agendas.

Cabinet were advised that the draft schedule had also been sent to Officers in Performance, Scrutiny and Finance for comments.

RESOLVED –

- (1) That the 2017/18 Calendar of Meetings be approved and the points outlined in paragraph 1.4 be noted.
- (2) That delegated authority be granted to the Governance Manager, following consultation with the Leader of the Council and the Chairmen of the relevant Committee(s)/Working Group(s), to amend the Calendar of Meetings 2017/18 as and when required.

REASON FOR DECISION – To ensure the Council has in place an effective and efficient Calendar of Meetings for 2017/18 that meets the needs of Members and facilitates decision making in line with statutory deadlines.

ALTERNATIVE OPTIONS CONSIDERED & REJECTED – The options for Cabinet's consideration were detailed in paragraph 4.1 of the report. There were no alternative options considered and rejected.

(Governance Manager)

532 Vulnerable Adults Risk Management (VARM) Policy

Cabinet considered a report of Councillor Mrs E A Hill, Portfolio Holder with Responsibility for Housing Strategy and Social Inclusion, which sought agreement to the Joint Vulnerable Adult Risk Management (VARM) Policy and guidance to implement the existing Derbyshire Wide VARM Policy Framework.

In January 2014 North East Derbyshire District Council, Bolsover District Council and Rykneld Homes Ltd adopted the Wider Derbyshire Safeguarding Adults Board Vulnerable Risk Management (VARM) Policy which provided a framework for professionals to facilitate effective multi-agency working with vulnerable adults who were deemed to have mental capacity and who were at risk of serious harm or death.

North East Derbyshire District Council Housing and Economic Development Strategy highlighted the need for an internal VARM Policy to ensure risks to vulnerable adults were minimised. It was embedded into the Action Plan as a target requirement, therefore in conjunction with the Joint Executive Director – Transformation (the Safeguarding Lead Officer) a VARM Policy had been developed.

North East Derbyshire District Council, Bolsover District Council and Rykneld Homes Ltd had taken the partnership approach to provide a Policy with guidance for employees, elected Members, Board Members and the public of the VARM process, and to create awareness of how we implemented the Derbyshire Wide Policy Framework and who to contact should a case need to be reported. It was designed to complement the existing Derbyshire Wide Framework and practice already in place.

The report also outlined the VARM Champions who would be the relevant point of contact for North East Derbyshire District Council, Bolsover District Council and Rykneld Homes the VARM Champions were:-

- Joint Senior Environmental Health Officers (Housing and Pollution);
- Joint Environmental Health Officer;
- NEDDC Housing Options Team Leader;
- Rykneld Homes Community Sustainment Manager;
- Bolsover District Council Housing Needs Manager;
- Bolsover District Council Housing Enforcement Manager.

RESOLVED – That Cabinet agrees the Joint VARM Policy and agree to it going through the appropriate approval processes at each authority.

REASONS FOR DECISION –

- (1) In conclusion the Policy showed how North East Derbyshire District Council, Bolsover District Council and Rykneld Homes implements the Derbyshire Wide Policy VARM Framework and will create awareness for employees, elected Members, external agencies/special organisations and the general public.
- (2) The Policy also included practical guidance for any person/agency that was concerned for or suspected an adult was at risk of harm and how they could research for help through this process and the appointed VARM Champions.
- (3) The Policy also showed a commitment to partnership working to keep vulnerable adults safe who were not eligible for any other primary process.

ALTERNATIVE OPTIONS CONSIDERED & REJECTED - The options for Cabinet's consideration were detailed in paragraphs 4.1 and 4.2 of the report. An option not to have the Policy in place was rejected as internal structures on VARM and the work done surrounding vulnerable adults that were not eligible for safeguarding or any other primary process may not be widely known, therefore, this bridges the gap. Also, there had been recent internal monitoring failures with collating the number of VARM cases that the local authorities and Rykneld Homes were involved with, therefore the Policy would make the monitoring procedure more robust, again another reason for rejecting the option of not having a Policy in place.

(Joint Housing Policy and Intelligence Officer)

533 Housing Options – Gold Standard Homelessness Strategy

Cabinet considered a report of Councillor Mrs E A Hill, Portfolio Holder with Responsibility for Housing Strategy and Social Inclusion, which provided an update on the progress on the Council's application to achieve the Gold Standard for Housing Options Services, to seek approval to proceed with the applications to allocate the appropriate staff resources to complete the application process and to approve the North Derbyshire Homelessness Strategy.

In the "Making Every Contact Count" report in 2012 the Government introduced a Gold Standard Challenge for Housing Options services across the country. This imposed 10 challenges for services to aspire to with the focus being on homeless prevention.

The first stage of the assessment was a 3 day review carried out by peers from neighbouring authorities. The assessment was based on the national framework and provided a score to establish whether or not a Council could progress to the next stage. A score of 60% was sufficient to proceed to the next stage of the assessment process with the minimum score stating that services operated on an average level and met all legal requirements.

North East Derbyshire District Council underwent the initial peer review assessment in March 2016 by colleagues from Amber Valley Borough Council and South Derbyshire District Council, with support from DCLG Specialist Advisor for Homelessness.

After the in-depth assessment and evaluation of our results the Council received the formal feedback in July, with a score of 83%. This was described by the specialist advisor as being outstanding and one of the highest in the country.

This had placed North East Derbyshire District Council in an excellent position to proceed to the next stage in the application process. To proceed to the next stage in the application process would require a considerable amount of preparation and data/documentation collection in order to evidence that as a Council it complied with the standards set for each challenge. Each submission was then assessed by the DCLG specialist support team and peers from other local authorities who had already achieved that particular challenge and this could take up to 2 months.

If successful in the first challenge application North East Derbyshire District Council would immediately be awarded Bronze Status whilst we continue to work on additional challenges. When 5 challenges had been successfully achieved North East Derbyshire District Council would be awarded Silver Status. The Gold Status would only be awarded once all 10 challenges had been achieved.

Cabinet were advised that currently there were only 2 local authorities that had achieved the Gold Standard, so for North East Derbyshire District Council to achieve this would put the Council amongst the elite authorities in the country. It was anticipated that to achieve all 10 challenges and Gold Status would take approximately 12-18 months if adequately resourced.

At present the Private Rented Sector and Housing Options Officer was completing the submissions with some support from the Housing Strategy Team. Due to the complicated nature of the applications and preparation required this would have an impact on current duties although it was felt that this should be prioritised. With the Joint Housing Strategy and Growth Manager continuing the process until the Housing Options Manager vacancy was filled.

It was a legal requirement for the Council to have a Homelessness Strategy. Without a current Homelessness Strategy that was fit for purpose it would severely hinder the Council's progress towards the Gold Standard.

RESOLVED – That Cabinet:-

- (1) Agree to proceed with the applications and to allocate the appropriate staff resources to complete the application process.
- (2) Receives updates when each challenge or Bronze, Silver or Gold status is successfully achieved.
- (3) Approves the North Derbyshire Homelessness Strategy 2016-2020.

REASON FOR DECISION – It is a legal requirement for the Council to have a Homelessness Strategy. Without a current Homelessness Strategy that was fit for purpose it would severely hinder the progress towards the Gold Standard.

ALTERNATIVE OPTIONS CONSIDERED & REJECTED - The options for Cabinet's consideration were detailed in paragraphs 4.1, 4.2 and 4.3 of the report. Not to proceed with the applications would result in severe damage to North East Derbyshire District Council's reputation locally and nationally, not to allocate the appropriate staff resources would result in poor submissions for challenges and extensive delays in achieving the Gold Standard, and not to approve the Homelessness Strategy would leave the Council vulnerable to legal challenge and would affect the Gold Standard application process.

(Joint Housing Strategy and Growth Manager)

534 Derbyshire Revenues and Benefits Initiative – Housing Benefit and Local Taxation Support Verification Policy

Cabinet considered a report of Councillor P R Kerry, Portfolio Holder with Responsibility for Economy, Finance and Regeneration, which sought approval of the Housing Benefit and Local Taxation Support Verification Policy as part of implementing the ongoing Derbyshire wide benefits processing initiative.

On 25 April 2016 the Council took the decision to become part of a consortium of Derbyshire Authorities working together to improve the Revenues and Benefits Services. To enable the objectives of the consortium to be met it was essential to have an intuitive online Housing Benefit and Local Council Tax Support claim form which had the ability to work on any mobile device. This form had now been developed, tested and it was planned to be implemented from 1 April 2017. In order to enable the use of the form the Council were required to adopt a risk based Verification Policy in relation to processing Housing Benefit and Council Tax support claims.

In the early 1990's the Department for Work and Pensions (DWP) introduced a Verification Framework Policy for administering Housing and Council Tax Benefit claims. This was a voluntary Policy that strongly recommended that local Councils should obtain a substantial amount of documentary evidence, carry out numerous pre-payment checks and/or visits before making any payments of a new claim or processing a change in circumstances. It had to be applied to all new claims and changes, was costly and there was little scope for local discretion. Although it was abandoned in 2006 by the DWP, most Councils including North East Derbyshire had continued to use at least some of the verification guidelines set out in the framework.

In 2011 the DWP allowed Councils to apply a different type of approach to reducing fraud and error, based on risk based verification (RBV principles). This concentrates on the risk profile of each claimant. Resources can then be targeted at the higher risk groups where the majority of error was likely to occur.

It was an approach used by many public services and well as businesses in the commercial world in preventing errors and mistakes from entering into the system at the outset. The Housing Benefit and Local Council Tax Support Verification Policy was attached to the report as an Appendix and this would allow the Council to implement a risk based verification approach to assessing its Housing Benefit and the Council Tax Support Claims.

RESOLVED – That Cabinet approves the Housing Benefit and Local Council Tax Support Verification Policy.

REASON FOR DECISION – The report and approval of the Policy would enable all Housing Benefit and Local Council Tax Support Claims to be assessed using this risk based verification from 1 April 2017. Having this in place would give a clear separation between financial years, therefore making the audit process smoother and more transparent.

ALTERNATIVE OPTIONS CONSIDERED & REJECTED - The options for Cabinet's consideration were detailed in paragraph 4.1 of the report. The alternative option would be that the Council decided against implementing the recommendations outlined within the report. This would significantly reduce the opportunity to improve the service to the residents and disadvantage the Council in participating in the Derbyshire Wide Project.

(Assistant Director – Finance, Revenues and Benefits)

Councillors N Barker, Mrs E A Hill and Lorraine Shaw – Managing Director – Rykneld Homes Limited left the meeting at this point.

Key Decisions

535 Housing Revenue Account (HRA) Budget and Rykneld Homes Management Fee 2017/18

Cabinet considered a report of Councillor P R Kerry, Portfolio Holder with Responsibility for Economy, Finance and Regeneration, which sought agreement to the level of Management Fee which will be paid to Rykneld Homes, the Council's Arms Length Management Organisation, in respect of the financial year 2017/18.

Since April 2007 the Council Housing Management Function in respect of the Council's stock had been operated on the Council's behalf by Rykneld Homes, the Council's Arms Length Management Organisation.

Whilst the company was independent of the Council, the Council had a range of mechanisms in place (as prescribed by best practice) which ensured that the Council played an active role in the governance of the company and secured best value for our tenants.

In order to undertake the roles and responsibilities which had been delegated to it by the Council Rykneld Homes clearly needed to receive an appropriate level of funding from within the Council's Housing Revenue Account. As required by the governance arrangements between the two organisations officers from both the Council and Rykneld Homes had been involved in negotiations to agree an appropriate level of payment in respect of the forthcoming financial year.

The majority of funding available to Rykneld Homes was provided by way of management agreement which effectively provided Rykneld Homes with the funding to pay for its staff, the services which it received from outside suppliers or from the Council by way of Service Level Agreements.

The Management Fee was paid in 12 monthly instalments at the beginning of each month. Whilst it was intended that the payment would form a regular source of income for Rykneld Homes against which it could effectively budget to meet its expenditure commitments, it was recognised that on occasions the Council as sole shareholder may be required to contribute funds in order to help it manage any adverse cash flow issues which may arise. In addition to the income arising from the Management Fee, Rykneld Homes would also be eligible to some further funding from the Council in respect of the Management Fee charged for undertaking capital works, SLAs and similar agreements under which the Council would pay Rykneld Homes for any service received over and above those specified in the Management Agreement.

Effectively the level of Management Fee that was recommended within the report had been arrived at following negotiations between Officers of Rykneld Homes and the Council. Those negotiations were conducted in light of the Council's approved Housing Revenue Account which was reported and agreed to by the Council on 20 February 2017. The report also outlined the details of the budget allocation.

RESOLVED – That Cabinet:-

- (1) Notes the report and approve the Management Fee for undertaking housing services at £9.902m and the Management Fee for undertaking capital works at £1.1m to Rykneld Homes in respect of 2017/18.
- (2) Notes the financial position on the Housing Revenue Account and request officers from both Rykneld Homes and the Council continue to work to identify efficiency savings in order to protect and develop the quality of the services to our tenants.
- (3) Endorses the section in the previously agreed Financial Protocol which enables the Council to pay temporary cash advances to Rykneld Homes in excess of the Management Fee in order to help meet the cash flow requirements of the company should unforeseen circumstances arise in any particular month.
- (4) Notes the potential requirement to provide Rykneld Homes with a 'letter of comfort' to the company's auditors and grant delegated authority to the Council's Chief Financial Officer in consultation with the Portfolio Member for Finance to agree the contents of that letter.

REASON FOR DECISION – To agree the level of Management Fees to be paid to Rykneld Homes in respect of 2017/18.

ALTERNATIVE OPTIONS CONSIDERED & REJECTED - The options for Cabinet's consideration were detailed in paragraph 4.1 of the report. The option of not approving the agreed Management Fee to Rykneld Homes would result in them having to secure financial savings from within the services they provide which could have a detrimental effect on Council tenants.

(Assistant Director – Finance, Revenues & Benefits)

Lorraine Shaw – Managing Director – Rykneld Homes re-entered the meeting at this point.

536 Urgent Business (Public Session)

There was no urgent business to be considered in the public session at this meeting of Cabinet.

537 Exclusion of Public

RESOLVED - That the public be excluded from the meeting during the discussion of the following items of business to avoid the disclosure to them of exempt information as defined in Paragraphs 1 & 3, Part 1 of Schedule 12A to the Local Government Act 1972 (as amended by the Local Government (Access to Information)(Variation) Order 2006). [The category of exempt information is stated after each Minute].

Key Decisions

538 Regeneration Update – Rykneld Homes Ltd

Cabinet considered a report of Councillor Mrs E A Hill, Portfolio Holder with Responsibility for Housing Strategy and Social Inclusion, which updated Cabinet on the current Regeneration Schemes which were being progressed by Rykneld Homes Ltd in partnership with the Council.

RESOLVED – That Cabinet approves the recommendations set out in the revised report.

REASON FOR DECISION – The report provided an update on the current and proposed Regeneration Schemes being undertaken by Rykneld Homes Limited in partnership with the Council. A further Regeneration Update report would be provided to Cabinet in April 2017.

ALTERNATIVE OPTIONS CONSIDERED & REJECTED - The options for Cabinet's consideration were detailed in paragraph 4.1 of the report. There were no alternative options considered and rejected.

Councillors N Barker and Mrs E A Hill re-entered the meeting at this point.

539 Management of Corporate Debt – Write Off of Outstanding Amounts

Cabinet considered a report of Councillor P R Kerry, Portfolio Holder with Responsibility for Economy, Finance and Regeneration, which sought agreement to the proposed write off of debts in respect of the General Fund as detailed in Appendix 1 attached to the report.

RESOLVED – That Cabinet approves the recommendation outlined in the report.

REASON FOR DECISION – This was outlined in paragraph 2.1 of the report.

ALTERNATIVE OPTIONS CONSIDERED & REJECTED - The options for Cabinet's consideration were detailed in paragraph 4.1 of the report. These were outlined throughout the report.

540 Urgent Business (Private Session)

There was no urgent business to be considered in the private session at this meeting of Cabinet.
