

## CABINET

### MINUTES OF MEETING HELD ON 14 FEBRUARY 2018

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## **CABINET**

### **MINUTES OF MEETING HELD ON 14 FEBRUARY 2018**

#### **Present:**

Councillor G Baxter MBE ..... Leader (in the Chair)

Councillor N Barker  
" M Gordon  
" E A Hill

Councillor P R Kerry  
" J Lilley

#### **Also Present:**

D Swaine - Chief Executive Officer  
D Clarke - Assistant Director – Finance & Revenues and Benefits  
H Fairfax - Planning Policy Manager  
K Hanson - Strategic Director  
A Westray-Chapman - Assistant Director – Economic Growth  
D McKenzie - Interim Support  
D Cairns - Senior Governance Officer

#### **525 Apologies for Absence**

No apologies for absence had been received for this meeting of Cabinet.

#### **526 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 E A Hill declared discloseable pecuniary interests in Item 5 on the Agenda – Medium Term Financial Plan 2018/19 to 2021/22, recommendations 6.8 to 6.14 only – arising from their membership of the Rykneld Homes Board.

Both Councillors left the room for consideration of the report in relation to these recommendations and did not take part in the vote.

#### **527 Minutes of Last Meeting**

**RESOLVED** – That the Minutes of the meeting of the Cabinet held on 3 January 2018 be approved as a correct record and signed by the Leader.

**Key Decisions****528 North East Derbyshire Local Plan: Publication Draft and Proposals for Public Consultation followed by Submission to the Secretary of State**

Cabinet considered a report of Councillor M Gordon, Portfolio Holder with Responsibility for Environment for Asset Management, which updated Cabinet on progress in preparing the Local Plan. Approval was sought for the content of the Publication Draft Local Plan and for statutory public consultation to be undertaken on it and the associated documents. In addition, approval was sought to submit the Plan to the Secretary of State following public consultation.

A presentation was given which outlined the key information from the report.

The report included details of the public consultation period during 2017 and the public events that had taken place. Attached to the report was a schedule of the representations that had been received, in summary. The issues raised during the consultation had been considered in detail by officers and Members of the Local Plan Steering Group, alongside additional evidence to inform the Publication Draft Local Plan.

A summary of the matters considered by the Local Plan Steering Group during 2017 and 2018 were included in the report. At the most recent meeting the details of the Publication Draft Local Plan were considered and recommended to Cabinet for approval.

A copy of the Publication Draft Local Plan was attached to the report. Cabinet were advised that this version retained much of the previous Consultation Draft Plan's Strategic Context, which sought to focus the majority of development on the District's four main towns and strategic sites. A number of changes had been made, however, in light of the representations received and the updated evidence. Details of these amendments were discussed in the presentation and were itemised in the report.

It was proposed that public consultation on the Publication Draft Local Plan and the associated supporting documents be commenced on 21 February 2018 and run for a period of six weeks, closing on 3 April 2018. This would take place in line with the Council's Statement of Community Involvement. This was the final consultation stage before the Local Plan would be submitted to the Secretary of State for Housing, Communities and Local Government for examination. Comments would be invited on the Plan but these would be for consideration by the Inspector appointed to examine the Plan. The Council was not expecting to make changes to the Plan at this stage. It was noted however that it may be necessary to make minor changes to the Plan text as the document continued to be checked and formatted for the public consultation and the maps and illustrations needed to be inserted.

Cabinet also considered the potential for implementing the Community Infrastructure Levy, however, it was recommended that the Council accept the findings of the expert viability study that had been undertaken and that the Community Infrastructure Levy not be implemented at this time. The Council would

continue to rely upon Section 106 Agreements to deliver necessary infrastructure as outlined in the Infrastructure Delivery Plan that accompanied the Local Plan. In order for the consultation stage to be implemented as outlined above, it was recommended that the Scrutiny “Call-In” procedure be waived in respect of the decisions arising from this report. The Chair of the Growth Scrutiny Committee had agreed that the matter was urgent and that the decisions were reasonable in the circumstances and therefore agreed for “Call-In” not to apply to this report.

Members thanked the Planning Policy Team for their hard work in the preparation of the Local Plan.

**RESOLVED** – That Cabinet:-

- (1) Notes the issues raised in representations to the Consultation Draft Local Plan and approves the officer responses to the issues in Appendix 2 to the report as the Council’s formal response.
- (2) Approves the content of the publication draft Local Plan in Appendix 3 to the report and authorises public consultation on it and associated documents.
- (3) Approves the timetable and arrangements for public consultation.
- (4) Delegates responsibility to the Chief Executive in consultation with the Leader and Portfolio Holder with Responsibility for Environment and Asset Management for approving:-
  - Any additional changes to the Local Plan text prior to and post consultation (including the insertion of maps and illustrations within the document);
  - Details concerning the final arrangements and associated supporting documents for public consultation;
  - Submission of the Local Plan and associated supporting documents to the Secretary of State following consultation on the publication draft Local Plan.
- (5) That Members note the findings of the Whole Plan Viability Study and agree not to implement a Community Infrastructure Levy for the District alongside the emerging Local Plan.
- (6) Considers the matter urgent as set out in the report and notes that the Chair of Growth Scrutiny Committee has also agreed that the matter is urgent and it is reasonable in the circumstances for “Call In” not to apply to the decisions as recommended above.

**REASON FOR DECISION** – The decisions enabled the development of the Local Plan to progress, including the Publication Draft Local Plan public consultation period. The amendments to the draft Local Plan were based on the updated evidence base and the officer responses to this evidence. The further statutory consultation period was an important and formal stage in the process necessary before the Council submits the Local Plan to the Secretary of State for examination.

ALTERNATIVE OPTIONS CONSIDERED & REJECTED – Alternative options for the strategic direction of the Local Plan and its detailed policies and proposed allocations were considered throughout the preparation of the document. The sustainability appraisal accompanying the Publication Plan included a summary of the reasonable alternatives considered and the reasoning behind the selected approach.

(Planning Policy Manager)

<b>Policy &amp; Budget Framework Items</b>
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**529 Medium Term Financial Plan 2018/19 – 2021/22**

Cabinet considered a report of Councillor of Councillor P R Kerry, Portfolio Holder with Responsibility for Economy, Finance, Regeneration and ICT which recommended to Council the approval of the proposed budget for 2018/19 for the General Fund, Housing Revenue Account and Capital Programme as part of the Council's Medium Term Financial Plan covering the years 2018/19 to 2021/22 and provided Elected Members with an overview of the Council's financial position in order to inform the decision making process.

The Medium Term Financial Plan covered three areas:-

- General Fund;
- Housing Revenue Account (HRA);
- Capital Programme.

Cabinet considered the report in respect of the General Fund only at this point. Cabinet's recommendations would be reported to Council at its meeting on 19 February 2018 in order to secure agreement for the Council's budget in respect of the 2018/19 financial year. The Audit and Corporate Governance Scrutiny Committee had also considered the Medium Term Financial Plan at its meeting on 25 January 2018.

The Council's Section 151 Officer was satisfied that the methodology adopted to calculate the estimates was robust and provided Members with reliable information on which to base their decisions. Likewise the Section 151 Officer was satisfied that the proposed level of reserves was adequate to cover the issues and potential risks which the Council may face.

General Fund

The Council's budget for 2017/18 included a requirement to achieve efficiency savings of £0.363m to balance the budget. When the revised budget was considered in November 2017 there was an estimated in year surplus of £0.057m. The improved position was as a result of a number of key factors, including building control fees, the waste recycling contract, vacancy management, an increase in planning income, utilities and miscellaneous expenditure reductions. It was agreed that any surplus generated in the financial year be transferred to the Invest to Save Reserve to be available for financing future transformation plans and service developments.

The proposed budget for 2018/19 showed a shortfall of £0.545m. Given the scale of the challenge that the Council would face in future years it was important that the savings be secured by underlying reductions in expenditure or increases in income. In particular the Council needed to maintain the momentum on the Growth and Transformation Agendas to put itself in a better position to secure the projected financial savings that it was anticipated would be required in future years.

The report set out details of the anticipated level of Government funding and other areas of income, as well as details of the expenditure changes forecast over the Medium Term Financial Plan period. An increase in Council Tax of 1.99% was proposed.

**RESOLVED** – That Cabinet refer to Council the recommendations below at (1) to (6):-

- (1) That the view of the Chief Financial Officer, that the estimates included in the Medium Term Financial Plan 2018/19 to 2021/22 are robust and that the level of financial reserves whilst at minimum levels are adequate, be accepted.
- (2) That officers report back to Cabinet and the Audit & Corporate Governance Scrutiny Committee on a quarterly basis regarding the overall position in respect of the Council's budgets. These reports to include updates on achieving the savings and efficiencies necessary to secure a balanced budget for 2018/19 and future years.

### **GENERAL FUND**

- (3) A Council Tax increase of £3.64 is levied in respect of a notional Band D property (1.99%).
- (4) The Medium Term Financial Plan in respect of the General Fund as set out in Appendix 1 to the report be approved as the Estimated Outturn Budget 2017/18, as the Original Budget 2018/19, and as the financial projections in respect of 2019/20 to 2021/22.
- (5) That any under spend in respect of 2017/18 be transferred to the Invest to Save Reserve.
- (6) On the basis that income from Planning Fees is anticipated to exceed £0.400m in 2018/19, the Chief Executive in consultation with the Leader be granted delegated powers to authorise such additional resources as are necessary to effectively manage the resultant increase in workload.

*Councillors N Barker and E A Hill left the room at this point.*

Cabinet went on to consider the remainder of the report in relation to the Housing Revenue Account and the Capital Programme.

### **Housing Revenue Account (HRA)**

Setting the budget for the HRA required the setting of rent levels in line with the Government's regulations which required a reduction in rent levels by 1% per

annum for four years commencing from April 2016, therefore the level of income generated from dwelling rents for 2018/19 and 2019/20 were included on this basis.

When the revised HRA budget was considered in November 2017 a surplus of £0.669m was estimated, the surplus would be utilised to fund improved services to Council tenants in future financial years and it was agreed that all surpluses be transferred to the HRA Development Reserve.

The proposed budget for 2018/19 showed a balanced budget with a surplus of £0.394m which would be transferred to the Development Reserve.

The report set out details of the assumptions on which the budget was based and details of the proposed charges in relation to non-dwelling rents.

It was recommended that the Management Fee for Rykneld Homes Limited remain at £9.902m for 2018/19.

### **Capital Programme**

Details of the proposed Capital Programmes in respect of the General Fund and the HRA over the period of the Medium Term Financial Plan were set out in the report.

**RESOLVED** – That Cabinet refer to Council the recommendations below at (7) to (13):-

### **HOUSING REVENUE ACCOUNT**

- (7) That Council sets its rent levels in line with Government regulations, reducing rent levels by a further 1% from 1 April 2018.
- (8) That the increases in respect of all other charges be implemented in line with the table shown at 1.30 in the report with effect from 1 April 2018.
- (9) That the Medium Term Financial Plan in respect of the Housing Revenue Account as set out in Appendix 3 to the report be approved as the Estimated Outturn Budget in respect of 2017/18, as the Original Budget in respect of 2018/19, and the financial projection in respect of 2019/20 and 2021/22.
- (10) That 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 2018/19 be approved.
- (11) That Members endorse the section in the current 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.
- (12) That Members note 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 Holder

with Responsibility for Economy, Finance and Regeneration to agree the contents of that letter.

**CAPITAL PROGRAMME**

(13) That the Capital Programme as set out in Appendix 4 to the report be approved as the Estimated Outturn in respect of 2017/18 and as the Approved Programme for 2018/19 to 2021/22.

**REASON FOR DECISION** – To set the budget in respect of the General Fund, Housing Revenue Account and Capital Programme to meet the Council's legal obligation to agree a balanced budget.

**ALTERNATIVE OPTIONS CONSIDERED & REJECTED** – Alternative options were considered throughout the process of the preparation of the budget and were outlined in the report.

(Assistant Director – Finance & Revenues and Benefits)

*Councillors N Barker and E A Hill returned to the meeting at this point.*

**Non Key Decisions****530 Corporate Performance Targets Performance Update – October to December 2017 (Quarter 3, 2017/18)**

Cabinet considered a report of Councillor G Baxter MBE, Leader of the Council, which reported on the Quarter 3 outturns for the Corporate Plan 2015-2019 targets.

The report detailed progress on all key tasks and performance indicators that contributed directly to the priorities within the Council's Corporate Plan. For the period of review out of the 56 targets, 40 were on track, one was achieved (with nine having been achieved previously), four were flagged as 'alert' and two had been 'withdrawn' previously. Actions to address the targets on 'alert' were outlined in the report.

It was requested that target C03 be amended to reflect an 'annual' satisfaction measurement rather than quarterly. It was also requested that target T12 be extended to 31 March 2019.

**RESOLVED-**

- (1) That Cabinet notes the progress against the Corporate Plan 2015-2019 targets.
- (2) That the C03 target description be amended to 'annual' satisfaction measurement.
- (3) That the T12 target deadline be extended to 31 March 2019.

**REASON FOR DECISION** – To inform Cabinet of the progress against the Corporate Plan targets and to note the achievements and areas of concern.



ALTERNATIVE OPTIONS CONSIDERED & REJECTED – There were no alternative options proposed.

(Information, Engagement and Performance Manager)

**531 Proposed Calendar of Meetings 2018/19**

Cabinet considered a report of Councillor G Baxter MBE, Leader of the Council, which presented for Cabinet's approval the Calendar of Meetings for 2018/19.

The proposed Calendar of Meetings for 2018/19 was attached as an appendix to the report. The schedule had been drawn up based on the following points:-

- The requirement for statutory business to be dealt with within legal deadlines;
- Member preferences for commencement times and days of the week;
- The frequency of meetings as set out in the Constitution.

RESOLVED - That:-

- (1) The 2018/19 calendar of meetings, attached as Appendix 1 to the report, be approved and the points outlined in paragraph 1.3 of the report be noted.
- (2) 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) and the Chief Executive, to amend the calendar of meetings 2018/19 as and when required.

REASON FOR DECISION – To ensure the Council has in place an effective and efficient calendar of meetings for 2018/19 that met the needs of Members and facilitated decision making in line with statutory deadlines.

ALTERNATIVE OPTIONS CONSIDERED & REJECTED – No alternative options were proposed as adjustments to the schedule had been made during its preparation.

(Senior Governance Officer)

**532 Change of Order of Agenda Items**

The Leader, with the consent of other Members of Cabinet, agreed to change the order of the agenda as set out within these Minutes.

**533 Local Lettings Policy for Brailsford Park, Affordable Rental Housing, Wingerworth**

Cabinet considered a report of Councillor E A Hill, Portfolio Holder with Responsibility for Housing Strategy and Social Inclusion, on the Local Lettings Policy for Brailsford Park, Wingerworth.

The Policy had been created in response to a New Build Scheme which was to result in a significant number of lettings occurring over a short duration. This required that consideration be given to the mix of the new community, the sustainability of tenancies and the housing needs in the immediate locality of the development site and Wingerworth as a whole.

**RESOLVED** – That Cabinet approves the implementation of the Brailsford Park, Wingerworth, Local Lettings Policy.

**REASON FOR DECISION** – The Local Lettings Policy was designed to ensure that the new community thrives and that the existing community are adequately housed. The Policy set out a mechanism to evaluate the ability of households to sustain a tenancy and make a positive contribution to the new community.

**ALTERNATIVE OPTIONS CONSIDERED & REJECTED** – The alternative option to put all applications for the available properties at Brailsford Park through the General Allocations Policy was rejected as this would not have taken in to account the impact of the number of lettings that would occur in a short period of time.

(Head of Neighbourhoods – Rykneld Homes Ltd)

### **534 Shared Ownership Allocations Policy**

Cabinet considered a report of Councillor E A Hill, Portfolio Holder with Responsibility for Housing Strategy and Social Inclusion which sought approval of the draft Shared Ownership Allocations Policy. Approval was also sought for Shared Ownership Leases to be authorised under the Officer Delegation Scheme.

The Shared Ownership Policy set out criteria that would apply when Rykneld Homes Limited, acting on behalf of the Council, markets and allocates the Council's houses which are available for Shared Ownership.

Applicants were expected to be primarily first time buyers, although Shared Ownership could sometimes be a suitable housing option for people in other circumstances.

It was discussed that time restrictions may apply in some circumstances, but unsold properties would be rented out after an appropriate period in order to ensure the properties were not left vacant and income could be generated from them.

**RESOLVED** – That Cabinet:-

- (1) Notes the contents of the report.
- (2) Approves the draft Shared Ownership Allocations Policy.
- (3) Agrees to Shared Ownership Leases being authorised by the appropriate Council Officer with the client responsible for Rykneld Homes under powers contained within the Council's Scheme of Delegation.

**REASON FOR DECISION** – To ensure that the Council adopts and operates a robust and transparent Shared Ownership Allocations Policy and allows the Council to continue to make the best use of its housing stock and optimise the rent revenue and associated sales income.

**ALTERNATIVE OPTIONS CONSIDERED & REJECTED** –

The option not to have a Shared Ownership Allocations Policy was rejected as this would not facilitate a fair and transparent process.

(Housing Strategy & Growth Manager)

**535 Minimum Energy Efficiency Standards (Non Domestic)**

Cabinet considered a report of Councillor M Gordon, Portfolio Holder with Responsibility for Environment and Asset Management, which outlined the impact of the Energy Efficiency (Private Rented Sector) (England and Wales) Regulations 2015 (Referred to as MEES) on the Council's commercial assets and addressed the Corporate Plan Priority 'Assess the potential revenue impact and develop an action plan to address issues arising from the implementation of the Minimum Energy Standards on commercial properties by April 2018'.

An assessment had been carried out of the Council's stock of non-domestic properties against the requirements of the Energy Performance legislation. The results of this assessment were detailed in an appendix to the report. Improvements to a number of properties were recommended which would be carried out within existing and future repairs and maintenance budgets for the relevant units.

**RESOLVED** – That Cabinet acknowledge the report and agree this satisfies the corporate priority accordingly.

**REASON FOR DECISION** – In order to address issues arising from the implementation of the Minimum Energy Standards on commercial properties as identified within the Corporate Plan.

**ALTERNATIVE OPTIONS CONSIDERED & REJECTED** – An alternative interpretation of the legislation could have been reached, however, the approach taken by officers during the assessment was based on advice from DCLG. No alternatives were therefore recommended.

(Commercial Property & Developments Manager)

**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 & 4, 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].

**Non Key Decisions****538 Strategic Alliance – Senior Management Team Review - Recommendations**

Cabinet considered a report of Councillor G Baxter MBE, Leader of the Council, which recommended a proposed new structure for the Strategic Alliance Management Team (SAMT), which would be referred to Council for approval.

RESOLVED – That Cabinet agrees the recommendations outlined in the report.

REASON FOR DECISION – The proposed structure was designed to provide capacity to enable the Council to meet strategic objectives, deliver sustainable transformation and maintain high quality service delivery.

ALTERNATIVE OPTIONS CONSIDERED & REJECTED – The options for Cabinet’s consideration were detailed at paragraphs 7.1, 7.2 and 7.3 of the report.

(Chief Executive)  
(Paragraphs 1, 3 & 4)

**539 Urgent Business (Private Session)**

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