

EXECUTIVE

Minutes of the meeting held on Wednesday 12 March 2014 at the Town Hall, Royal Leamington Spa at 6.00 pm.

PRESENT: Councillor Mobbs (Chairman); Councillors Caborn, Coker, Cross, Mrs Grainger, Hammon, Shilton and Vincett.

ALSO PRESENT: Councillor Barrott (Chair of Finance & Audit Scrutiny Committee), Councillor Mrs Blacklock (Chair of Overview and Scrutiny Committee), Councillor Boad (Liberal Democrat Group Observer), Councillor MacKay (Independent Group Observer) and Councillor Wilkinson (Labour Group Observer).

159. **DECLARATIONS OF INTEREST**

Minute Number 167 – Agenda Item 9B – Discretionary Rate Relief

During the course of this item Councillor Mrs Grainger declared a pecuniary interest because of her family connections to a local, independent retailer. She left the room whilst the discussions and decision took place.

160. **MINUTES**

The minutes of the meeting held on 12 February 2014 were agreed with an amendment to Minute Number 138, Car Parking - National Bowls Championships.

PART 1

(Items on which a decision by Council is required)

161. **TREASURY MANAGEMENT STRATEGY PLAN FOR 2014/2015**

The Executive considered a report from Finance which detailed the strategy for 2014/15 that the Council would follow in carrying out its Treasury Management activities, including the Annual Investment Strategy and Minimum Revenue Provision (MRP) Policy Statement.

The Council was required to have an approved Treasury Management Strategy, including an Annual Investment Strategy and Minimum Revenue Provision Policy within which its Treasury Management operations could be carried out. The Council would be investing approximately £13.605 million in new capital in 2014/2015 and would have average investments of £48 million (2012/13 actual £47m). This level of investments had arisen from the Council's reserves and provisions, the General Fund and Housing Revenue Account balances, and accumulated capital receipts as well as cashflow.

The report advised that the Council's treasury management operations were also governed by various Treasury Management Practices (TMP's), the production of which was a requirement of the Chartered Institute of Public Finance and Accountancy (CIPFA) code and which must be explicitly followed by officers engaged in treasury management.

There had been some changes to various Treasury Management Practices (TMP's) and these were outlined in paragraph 3.2 of the report. The report asked Members to note these changes.

In addition, the report requested approval of the Treasury Management Strategy for 2014/15, attached as appendix A and approval of the 2014/15 Annual Investment Strategy attached as appendix B to the report. This document also included nine changes, outlined in recommendation 2.2 (b), which required approval.

Finally, approval was required for the Minimum Revenue Provision Policy Statement and the Prudential Indicators, detailed in appendices A and C of the report.

There were a few of alternative options available, detailed in section 7 of the report, however, the production of an annual strategy was a requirement of the CIPFA Treasury Management in the Public Services Code of Practice.

The alternatives outlined were to vary the counterparty limits and investment periods or not to introduce the new investment vehicles and reduce the minimum credit rating criteria instead.

The Finance & Audit Scrutiny Committee supported the recommendations in the report and thanked the officers for attending and presenting the report so comprehensively.

Having read the report and having heard the representation from the Scrutiny Committee, the Executive decided to;

RECOMMENDED to Council that

- (1) the changes to the various Treasury Management Practices are noted;
- (2) the Treasury Management Strategy for 2014/15, is approved;
- (3) the 2014/15 Annual Investment Strategy, is approved, including the following changes:-
 - a) that Variable Net Asset Value Money Market Funds, Corporate Bonds and Floating Rate Notes are added to the list of Specified Investments that the Council can use;
 - b) that the individual and overall counterparty limit for Variable Net Asset Value Money Market Funds for 2014/15 be £6 million;
 - c) that the individual counterparty limit for Corporate Bonds issued by Corporates for 2014/15 be £3 million;

- d) that the individual counterparty limit for Floating Rate Notes issued by Corporates for 2014/15 be £3 million;
 - e) that Corporate Bonds with maturities in excess of 364 days, Corporate Bond Funds and Regulated and Unregulated Property Funds (CCLA Local Authority Property Fund only) are added to the list of Non-Specified investments that the Council can use;
 - f) the current 40% portfolio limit and £9 million monetary limit on investments over 364 days be replaced by 60% and £15 million respectively;
 - g) Corporate Bond and Property Funds are limited to a maximum of £5 million per fund within an overall sector limit of £10 million and subject to the over 364 day overall investment limit of £15 million;
 - h) in respect of Local Authorities, the current maximum duration limit of 2 years be increased to 5 years;
 - i) in respect of Corporate Bond and Property Funds, the current maximum duration limit of 2 years be increased to 10 years;
- 4) the Minimum Revenue Provision Policy Statement, is approved; and
 - 5) the Prudential Indicators, are approved.

(The Portfolio Holder for this item was Councillor Mobbs)
(Forward Plan reference 541)

PART 2

(Items on which a decision by Council is not required)

162. HOUSING STRATEGY 2014-17 DELIVERY PLAN

The Executive considered a report from Housing and Property Services which outlined a detailed delivery plan for the Council's new Housing Strategy which had been approved by Members in December 2013.

The report advised that following a substantial consultation exercise and an analysis of the local housing situation and the corporate policy environment, a new Housing Strategy had been approved by Executive in November, and ratified by Council in December 2014.

The strategy had set out the broad framework for the Council's housing and associated services for the three-year period from 2014-2017. It also included a

commitment to reporting a detailed delivery plan for approval and this was attached as an appendix to this report.

Approval of the strategy would enable officers to take forward work on housing and associated services in the strategic manner set out and approved in the Housing Strategy 2014 - 2017.

The alternative options were to not adopt a delivery plan at all or to adopt a different plan than the one proposed.

However, to not adopt a delivery plan would be contrary to the Housing Strategy approved in December 2013. In addition, since the strategy had been approved, the actions had been subject to discussion with relevant managers in terms of resources and timescales, so the plan represented what was considered as realistically achievable.

Changes could be proposed but these amendments would need to go back through the relevant processes and could result in significant delays.

The Overview & Scrutiny Committee welcomed the report and commended it to the Executive.

The Portfolio Holder for Housing and Property Services, Councillor Vincett, endorsed the report and thanked the Overview and Scrutiny Committee for its support.

Having read the report and having heard the representation from the Scrutiny Committee, the Executive decided to agree the recommendations as written.

RESOLVED that the Housing Strategy Delivery Plan 2014-17, be approved.

(The Portfolio Holder for this item was Councillor Vincett)
(Forward Plan reference 565)

163. **HACKNEY CARRIAGE FARE INCREASE – REQUEST FROM DRIVERS**

The Executive considered a report from Health and Community Protection, following a request from 127 Hackney Carriage drivers to increase the current hackney carriage fares and for these fares to be reviewed on an annual basis.

The report advised that under Section 65 of the Local Government (Miscellaneous Provisions) Act 1976, this Authority was responsible for regulating fare and other charges in connection with the hire of hackney carriage vehicles in this area.

Hackney Carriage fares were last reviewed in Warwick District in February 2008 and the current fares were attached at appendix 1 to the report.

The report also included details from Private Hire and Taxi Monthly which showed the cost of a two mile journey, throughout Councils within the UK, and advised of Warwick District's current position in the table. Paragraphs 3.5 to 3.7 outlined the national average fare and neighbouring districts current

position, compared to Warwick District and details about their recent reviews if applicable.

The Licensing Department received a request from 127 drivers to consider increasing hackney carriage fares and outlining a suggested new tariff, detailed in paragraph 3.11 of the report.

The alternative options were to refuse the request or to agree an amended fare increase .

The Overview and Scrutiny Committee recommend that the Executive delayed any decision in respect of fare increases pending a complete review of the taxi drivers' code of conduct to improve standards of service and vehicles.

Members were concerned about the comments raised at Overview and Scrutiny Committee and were uncomfortable with the proposed new fares, considering the level of service currently being reported. In addition, it was felt that a 50% increase in the soiling charge was too high.

The Licensing Services Manager addressed the Executive and advised that a review of the policies and procedures in relation to taxi licensing was underway and assured Members that this would include a review of the code of conduct for drivers.

The Portfolio Holder for Health and Community Protection, Councillor Coker, thanked the Overview and Scrutiny Committee for its input and accepted its recommendation. He also proposed that the current fares be confirmed by Executive, to avoid any confusion with previous decisions taken by Regulatory Committee in previous years.

Councillor Coker also felt that further communication should take place between officers and the hackney carriage drivers, during the review of processes, to negotiate a more suitable fare increase, with a report to come back to Executive at a later date.

Having read the report and having and in light of the comments from Overview & Scrutiny Committee, the Executive refused the recommendations in the report.

RESOLVED that

- 1) the recommendations in the report be refused;
- 2) the existing fares be confirmed at their current rate;
- 3) the Executive fully supports the pending review of the policies and procedures relating to Taxi Licensing; and
- 4) as part of that review, officers be asked to negotiate with drivers about fare charges, and report back to Executive in due course.

(The Portfolio Holder for this item was Councillor Coker)

(Forward Plan reference 592)

164. **CORPORATE PROPERTY REPAIRS & IMPROVEMENTS PROGRAMME 2014/15**

The Executive considered a report from Housing and Property Services which provided the rationale for the proposed allocation of works against the budget for the Corporate Repairs and Improvement Programme for 2014/15.

The report advised that to ensure that the Council was spending the budget effectively in the current climate, it was considered that members needed to be aware of the principles underpinning the budget allocation to ensure the process was transparent.

The report requested approval of appendices A, B and C which identified the works proposed for 2014/15. The proposals were based on the data and recommendations from the stock condition surveys undertaken as part of the on-going assets review work. A further recommendation proposed that the Head of Housing and Property Services be authorised to procure the works as per the Code of Procurement Practice and in consultation with the Procurement Manager.

The total Corporate Property Repairs and Improvements budget for 2014/15 was £1,167,000 to which £1,298,000 was being requested from the Corporate Asset Reserve to bring the total budget to £2,465,000. Housing and Property Services managed the budget and would coordinate the proposed programme of works, which had been set following consultation with the Corporate Property Investment Board and the Strategic Asset Group.

The alternative options were to not apply the refreshed budget setting criteria and/or not to manage the budget centrally but instead let service areas decide priorities and allocation. These options had been rejected when the initial review was carried out in 2008.

A second alternative would be not to proceed with the current proposed programme of works as set out in appendices A, B & C to the report, but instead defer any or all of the prioritised projects to future years and accept the risks associated with deferring the recommended projects.

The Finance & Audit Scrutiny Committee recognised that the Council was moving to a more strategic approach to how it managed its portfolio and supported the recommendations in the report.

The Portfolio Holder for Housing and Property Services, Councillor Vincett, endorsed the report and thanked the report author for a detailed document. He also thanked the Finance and Audit Committee for its comments and support and moved the recommendations as laid out.

Having read the report and having heard the representation from the Scrutiny Committee, the Executive decided to agree the recommendations as written.

RESOLVED that

- (1) the proposed allocation of the Corporate Property Repair and Improvement Programme budget for 2014/15, as set out in table 1 of this report and Appendices A, B & C, is approved;
- (2) the Head of Housing & Property Services, in consultation with the Procurement Manager, is authorised to procure the works as per the Code of Procurement Practice;
- (3) up to a maximum of £1,298,000 is released from the Corporate Asset Reserve towards the 2014/15 Corporate Property and Repair and Improvement Programme;
- (4) the Head of Housing and Property Services and the Head of Finance, in consultation with their respective portfolio holders, are granted delegated authority to approve programme amendments (both additions and omissions) and revised budget allocations within the overall base budget of £2,465,000;
- (5) SAG (which is chaired by the Deputy Chief Executive) and the Section 151 officer, in consultation with the portfolio holders for Housing & Property Services and Finance, be given delegated authority to release monies for the Corporate Asset Repairs Reserve, ensuring that the monies are ring-fenced for the Stock Condition Plan and not to subsidise any Budget Shortfall on the Responsive Repairs or Warwick Plant Maintenance which will be reported and considered separately;
- (6) a further £20,000 is released from the Corporate Asset Reserve to fund the on-going Asset Review work; and
- (7) the refreshed budget setting principles as set out in section 8 of this report, are noted.

(The Portfolio Holder for this item was Councillor Vincett)

165. **RURAL/URBAN CAPITAL IMPROVEMENT SCHEME CRITERIA**

The Executive considered a report from Finance which sought approval of the revised criteria for the Rural / Urban Capital Improvement Scheme (RUCIS).

Historically, there had been a steady volume of RUCIS applications throughout each year which on the whole had been approved if they met the scheme criteria; however, the budget for the scheme had usually been under spent with slippage being carried forward into the next financial year.

Within the current 2013/2014 financial year officers had seen a high level of interest in the RUCIS scheme and had experienced an increase in applications

for large amounts, as detailed in appendix 2 to the report, which had left the budget close to being fully spent for the first time since the scheme was introduced.

Officers felt there was potential that the budget for the 2014/15 financial year, including slippage from 2013/14, may run-out in the early part of the year with some large applications expected.

The report therefore recommended that the maximum award amount should be reduced from £50,000 to £30,000 for applications received from 1 April 2014 onwards.

Where RUCIS awards had been allocated but unspent and carried forward into future years, this had potentially prevented other, well-deserving, non-profit community organisations receiving funding support. A revised criterion was introduced in 2013/14 which established a condition whereby grants had to be used within 12 months of the offer being made unless there were exceptional circumstances. To further support this, the report suggested that organisations were limited to having one live RUCIS funded project at a time.

An alternative option was to continue with the current criteria but this was not deemed viable because of the concerns detailed by officers. Another alternative was to reduce the maximum value or to move to annual or quarterly decisions. However, this could cause delays for many organisations which were trying to secure funding.

The Finance & Audit Scrutiny Committee supported the recommendations in the report.

Having read the report and having heard the representation from the Scrutiny Committee, the Executive decided to agree the recommendations.

RESOLVED that the revised criteria for the Rural / Urban Capital Improvement Scheme are agreed, with the proposed changes as follows:

- The maximum award amount is reduced from £50,000 to £30,000 for applications received from 1st April 2014 onwards
- A grant can only be considered if the applying organisation has no outstanding projects that have previously received funding from the RUCIS scheme

(The Portfolio Holder for this item was Councillor Mobbs)

166. **RURAL/URBAN CAPITAL IMPROVEMENT SCHEME APPLICATION**

The Executive considered a report from Finance which detailed a Rural / Urban Capital Improvement Scheme application from Sherbourne Village Hall for up to £2,675.

The Council operated a scheme to award Capital Improvement Grants to organisations in rural and urban areas. The grants recommended were in accordance with the Council's agreed scheme and would provide funding to help the projects progress.

Sherbourne Village Hall had submitted an application to refurbish existing toilet facilities and install a new disabled toilet and baby changing unit. They had previously had a successful grant awarded in 1998/99 and therefore this application met the criteria of waiting for a minimum of two years before re-applying.

The Village Hall was not registered for VAT and they had committed £200 to the project from their limited cash reserves. In addition, Barford, Sherbourne and Wasperton Parish Council supported the project and had agreed to contribute £2,600.

The alternative options were to not approve the grant funding, or to vary the amount awarded.

RESOLVED that a Rural/Urban Capital Improvement Grant from the Rural cost centre budget, be approved, for Sherbourne Village Hall of 49% of the total project costs to refurbish existing toilet facilities and install a disabled toilet and baby changing unit, up to a maximum of £2,675.

(The Portfolio Holder for this item was Councillor Mobbs)

167. **DISCRETIONARY RATE RELIEF**

The Executive considered a report from Finance which provided details of relief for businesses announced in the Autumn Statement and sought approval for adopting these measures through the discretionary rate relief scheme.

Section 47 of the Local Government Finance Act 1988 provided local authorities with discretionary powers to grant relief from non-domestic rates on property occupied by charities and other non-profit making organisations. Current policy for the determination of awards of relief and the guidelines that underpinned such awards had been reported to Executive in December 2010.

The Localism Act 2011 introduced an additional power for local authorities to award a local discretionary relief to any business, providing the granting of that relief could be deemed reasonable from the perspective of council tax payers in the local area.

It was announced in the Autumn 2013 Statement, that two temporary reliefs would be introduced but delivered through local authority discount powers (section 47 of the Local Government Finance Act 1988). Given that section 47 was a discretionary power, it was for each local authority to decide to adopt these changes although the Government expected local authorities to support the changes.

Local Authorities had been advised that Central Government would fully reimburse local authorities for the local share of the discretionary relief, however, the government had yet to respond formally to the question of

administration funding to compensate local authorities for the additional work required to implement the reliefs.

An alternative option was that the Council could choose not to adopt these initiatives if, for example, it was considered that awarding of relief would not be in accordance with the Authority's wider objectives. However, the Government had been quite clear in its guidance that its expectation was that local authorities would adopt these measures. Given that the cost of relief would be met by the Government, if the Council chose not to adopt these initiatives, it could send out the wrong message to the local business community.

The Finance & Audit Scrutiny Committee discussed this item in some depth and was concerned that the Government had yet to confirm whether it would meet the costs of this relief. In addition, there was no legislation covering this to date. Members discussed the possibility of recommending to the Executive that it did not implement these temporary measures. However, in order to try to give business some incentive to locate to the District, the Finance & Audit Scrutiny Committee recommended to the Executive that if it was minded to adopt the reliefs, it only pursued Option B as detailed under paragraph 8.4 of the report.

In response, the Leader and Portfolio Holder for Finance, Councillor Mobbs reminded the Executive that this was a temporary relief for two years and the indication from the Government had been clear regarding funding. In addition, officers were not aware of any other Warwickshire Councils that were not implementing the retail relief.

Councillor Mobbs explained that there were approximately 1000 properties that could benefit and denying them this relief would send out a significantly negative message to the local business community.

Members were also advised of comments from the Town Centre Manager, who considered that rates were one of the key reasons for high vacancy rates in high streets and this would deliver a much needed boost to local businesses.

The recommendation from Finance and Audit Scrutiny Committee was not accepted. In summary, this was because there had been a clear message from Central Government and the intention was that the award would be covered in its entirety, although officers were still waiting for confirmation that this would include administration charges. Also, the Executive recognised that the relief would provide a valuable support to the local business community.

Having read the report and having heard the representation from the Scrutiny Committee, the Executive decided to agree the recommendations as written.

RESOLVED that the reliefs as specified in this report and the guidance issued by the Department for Communities and Local Government, following announcement in the Autumn Statement on 5th December 2013, are adopted.

(The Portfolio Holder for this item was Councillor Mobbs)

168. **HISTORIC BUILDINGS GRANT APPLICATION FUNDING 2014/15**

The Executive considered a report from Development Services which advised Members of the enhancements made to the District by the Historic Buildings Grants for 2014/15 and requested approval of the allocation of the 2014/15 budget.

The District Council had for many years supported Historic Buildings Grants to help property owners to maintain/restore historic assets which were an important part of the environment of Warwick District. The report explained that, in this time of financial constraints, the maintenance of this type of grant was crucial to many owners of historic properties and recognised the contribution made by the historic environment to the economic and social wellbeing of the District.

Grants were offered in accordance with the Planning (Listed Building in Conservation Areas) Act 1990 which made provision for Local Authorities to make Historic Buildings Grants. Grants were offered normally at a level of 25% of the cost of works to an absolute maximum of £3,000 per property (£2,000 per property being the general ceiling figure).

A Grants Working Party comprising of four Elected Members together with Conservation Officers met in January 2014 to review the allocation of grants over the past year and to discuss and recommend the allocations for the coming financial year.

The report advised that the overall allocation for grants for 2014/15 had been agreed as £50,000 which was a reduction from £80,000 in 2013/14. Section 3 of the report detailed the pro rata allocations made for a number of schemes across the District.

An alternative option was to reduce the grant schemes or to abolish the grant scheme. However, to not have a Grant Scheme at all would significantly affect the Council's ability to assist in maintaining the Historic Environment for both residents of the District and visitors to the District.

The Finance & Audit Scrutiny Committee supported the recommendations in the report.

Having read the report and having heard the representation from the Scrutiny Committee, the Executive decided to agree the recommendations as written.

RESOLVED that

- (1) the proposed allocations for the Historic Building Grants for 2014/15, are approved, as set out in appendix A to report; and
- (2) the slippage of unspent funds at year end to the grant allocation for 2014/15 is approved, as set out in appendix A to the report.

(The Portfolio Holder for this item was Councillor Hammon)
(Forward Plan reference 595)

RESOLVED that under Section 100A of the Local Government Act 1972 that the public and press be excluded from the meeting for the following items by reason of the likely disclosure of exempt information within the paragraphs of Schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006, as set out below.

Minute No.	Para Nos.	Reason
172	1	Information relating to an Individual
172	2	Information which is likely to reveal the identity of an individual
170, 171, 172, 173	3	Information relating to the financial or business affairs of any particular person (including the authority holding that information)

The full minutes of Minutes 170 to 173 would be contained within a confidential minute which would be considered for publication following the implementation of the relevant decisions. However, a summary of the decisions was as follows:

170. LILLINGTON AREA ACTION PLAN

The recommendations in the report were agreed.

(The Portfolio Holders for this item were Councillors Caborn, Hammon and Vincett)
(Forward Plan reference 439)

171. PROPOSED HOUSING DEVELOPMENT ON BOWLING GREEN STREET / THEATRE STREET, WARWICK

The recommendations of the report were agreed.

(The Portfolio Holders for this item were Councillors Hammon, Shilton and Vincett)
(Forward Plan reference 598)

172. HOUSING AND PROPERTY SERVICES CONTRACTS UPDATE REPORT

The recommendations of the report were agreed.

(The Portfolio Holders for this item were Councillors Mobbs and Vincett)
(Forward Plan reference 545)

173. **USE OF CHIEF EXECUTIVES DELEGATED POWERS**

The recommendations of the report were agreed.

(The Portfolio Holder for this item was Councillor Mrs Grainger)

(The meeting ended at 6:58 pm)