

Present: Councillor Donald Nannestad (*in the Chair*),
Councillor Jackie Kirk, Councillor Rosanne Kirk,
Councillor Neil Murray and Councillor Fay Smith

Apologies for Absence: Councillor Ric Metcalfe

54. Confirmation of Minutes - 24 September 2018

RESOLVED that the minutes of the meeting held on 24 September 2018 be confirmed.

55. Declarations of Interest

No declarations of interest were received.

56. Setting the 2019/20 Budget and MTFS 2019/20 - 2023/24

Purpose of Report

To update the Executive on the likely challenges ahead in preparing for the 2019/20 and future years budget, to set out the parameters within which the Council would prepare these budgets and to confirm the Council's approach to development of the budget and the Medium Term Financial Strategy.

Decision

The Executive:

- (1) Noted the significant financial challenges that the Council faced.
- (2) Noted the projected budget parameters for 2019/20 and future years and noted the planning assumptions, as set out in Appendix A.
- (3) Noted the budget, strategic and service planning preparation programme, as set out in Appendix B.

Alternative Options Considered and Rejected

None.

Reason for Decision

The financial landscape for local government over the medium term period posed a significant challenge to the Council due to the volatility, complexity and uncertainty about future funding. Significant national decisions were still to be made by the government about future departmental spending through the spending review, the allocation of this funding to local government through the fair funding review and the implementation of the 75% business rates scheme, all of which impacted the Council's Medium Term Financial Strategy.

The Council's financial position needed to be viewed in the wider context of continued public sector austerity and the impact this was having upon the financial resilience and sustainability of local authorities. A number of local authorities were taking measures to restrict expenditure to core, statutory services.

Although the potential increase in savings required would be substantial, it was not unprecedented and the Council should have some confidence that it had a track record of delivering strong financial discipline and that it could rise to the challenge once again. This successful financial planning to date had enabled the protection of core services for the people of Lincoln, whilst at the same time allowing for significant investment in the city, its economy and delivery of the Council's Vision 2020. The Council would continue to adopt this approach, carefully balancing the allocation of resources to its strategic priorities whilst ensuring it maintained a sustainable financial position.

Further information relating to the spending review, the fair funding review, the 75% business rates retention scheme and business rates retention pilots, local government financial resilience and the social housing green paper and right to buy consultation was set out in the body of the report.

In terms of the Council's financial monitoring for the current year, the following updates were noted:

General Fund

The financial monitoring report for the first quarter of 2018/19 forecast a significant overspend for the general fund at the year-end of £717,343. The key variance was the shortfall of car parking income against its budget target of £1,141,000.

The shortfall in car parking income was the continuation of a trend that began to emerge towards the end of 2017/18 and reflected a reduction in demand for shopper car parking spaces. This was in line with a reduction in footfall in the city centre and the general decline in high street shopping and the fragility of the retail sector. Longer term there was predicted to be an increase in demand for city centre parking through developments such as the Cornhill Quarter, direct trains to London and further expansion of the University.

However, in the short to medium term there would continue to be a shortfall in car parking income against its budget targets. In response to this the car parking income generation strategy had been accelerated in order to boost demand for the Council's car parks.

In addition to the shortfall in car parking income, there were a number of other key variances including increased costs and loss of income for the control centre, a loss of income on the apprenticeship scheme, increasing cost provision of the Christmas Market and a reduction in income from housing benefit overpayments. Beyond the current financial year there were also emerging pressures around the central markets lettings income levels and the level of crematorium income should the development of a new facility in a neighbouring district go ahead.

Housing Revenue Account

The financial monitoring report for the first quarter of 2018/19 forecast an overspend for the Housing Revenue Account at the year-end of £37,243. The key variances were in relation to an overachievement of rental income, offset by increased expenditure in respect of repairs and maintenance costs for void properties. Both of these variances were as a result of the number of new build properties that were due to be released during the year and were one-off variances. In addition, it was noted that there were a number of vacancies within the service and within the housing repairs service, from which the surplus was repatriated to the housing revenue account.

Capital Programme

The general investment programme was currently forecasting to have a surplus of capital receipts of £2.845 million subject to completion of a number of schemes. In addition, subject to the completion of the final account there was an anticipated underspend on the contingency budget from the transport hub project of approximately £700,000. There were a number of competing demands for the allocation of capital resources including demands to maintain existing assets, particularly income generating assets, and claims or disputes from third parties that may require additional resource. A number of strategic capital schemes were also in line with the Vision 2020 that did not yet have capital resources allocated, as well as consideration of invest to save schemes.

The housing investment programme, decent homes and the new build programme continued to progress in line with the current budget expectations, with a significant level of expenditure to be incurred during the third quarter of 2018/19 as the purchase of the new build properties were completed. There still remained a significant budget allocation as part of the new build scheme, with approximately £4.1 million along with the land acquisition budget of £1.2 million which were yet to be allocated to specific schemes in year. Further details in relation to the Council's new build strategy were set out in paragraph 4.10 of the report.

With regard to the preparation of the budget and the Medium Term Financial Strategy, it was noted that this would be based on assumptions for a number of key variables such as business rates, government grants, council tax levels, inflation rates and interest rates. These assumptions were revised on a continual basis in light of the most recent intelligence available and it was reported that these would be subject to change as the development of the budget progressed. Changes to some of these assumptions created both unavoidable budget pressures as well as the opportunity to realise savings. Main changes at this moment in time related to inflation, council tax, new homes bonus and the car parking income shortfall which were detailed in Appendix A of the report.

In relation to the reduction in car parking income the Chief Executive explained that there had not been a drop in income, it was solely that the amount of income generated from car parking had not increased as much as originally estimated. This meant that car parking income was underperforming based upon the agreed budget rather than there being an actual drop in the income received from car parking. The Chief Executive therefore emphasised the point that the Council had still generated growth in car parking income.

Discussion ensued on the Christmas Market and it was noted that the Council would generate a surplus but that there would be additional costs to take into account, mainly as a result of new security requirements.

The Deputy Leader, reflecting on the Chancellor of the Exchequer's budget speech announced earlier in the day, asked whether the Council's proposed budget and Medium Term Financial Strategy would need to be revised as a result of his speech. It was noted that there were no major changes required against the budget proposed in the report.

Discussion ensued on Universal Credit and whether the impact of its introduction had been taken into account as part of the budget proposals. It was noted that the housing rents collection rate target had been reduced from 99% to 98% in response to Universal Credit. The Chancellor to the Exchequer had announced that additional resources would be made available to support implementation of Universal Credit and it was noted that further information on this issue would be reported back to the Executive in due course.

57. Localised Council Tax Support Scheme - 2019/20

Purpose of Report

To provide the Executive with an update to the current Council Tax Support Scheme for 2018/19 and to offer options for the 2019/20 Council Tax Support Scheme for Council approval by 31 January 2019.

Decision

The Executive:

- (1) Approves the proposed Council Tax Support Scheme for 2019/20 for public consultation and scrutiny, with all options to be put forward for consultation.
- (2) Approves the continuation of the £20,000 a year exceptional hardship fund for 2019/20 to top up Council Tax Support awards in appropriate cases, to be funded through the collection fund.

Alternative Options Considered and Rejected

None.

Reason for Decision

The City Council was obliged to approve a local Council Tax Support Scheme for 2019/20 by 31 January 2019, with schemes not able to be changed mid-financial year.

The consultation process for the draft Council Tax Support Scheme in respect of 2019/20 would begin on 1 November 2018 with major preceptors, stakeholders and members of the public. This was due to end on 14 December 2018.

A number of options which had been recommended for inclusion in the consultation were set out in paragraph 5.4 of the report and consisted of:

- no change to the current scheme;
- reducing the maximum savings limit;
- increasing the minimum entitlement;
- removing the family premium;
- incorporation of Universal Credit changes;
- consideration of Council Tax empty homes premium;
- consideration of care leavers Council Tax exemption;
- consideration of unoccupied and unfurnished properties.

It was noted that, under option 2 on Appendix 1 of the report, the final column on the table should read 'impact per customer per week (£)'.

Discussion ensued on the impact of empty properties, particularly those that were furnished but remained unoccupied. It was noted that work was taking place to identify those properties and their particular circumstances in order that an attempt in liaison with the owner could be made to bring empty properties back to use in the city.

58. The Introduction of a New Telematics System

Purpose of Report

To highlight the requirement for the Council to introduce a telematics system to all its fleet and all sub-contractors using telematics.

Decision

That the installation of telematics in the Council's vehicle fleet be approved.

Alternative Options Considered and Rejected

None.

Reason for Decision

Telematics was a technology of sending, receiving and storing information relating to remote objects, such as vehicles, via telecommunication devices. The information that could be recorded and presented would be utilised by the Council as follows:

- average fuel consumption;
- driving standards such as average speed, actual speed, excessive breaking in the event of accident investigation;
- vehicle location, in the event of theft or major cause for concern
- vehicle driving periods;
- accurate mileage figures.

The advantages and disadvantages of the introduction of telematics were set out at paragraphs 5 and 6 of the report, with paragraph 7 outlining specifically what the system would be used for. The potential return on investment included:

- management of fuel consumption and any associated potential return;
- reduction in Co2 emissions, gained from reduced mileage covered by operatives which would result in lower emissions produced;
- understanding the real cause of any formally reported incident and saving management investigation time.

It was noted that the proposal had been considered and endorsed by the City Council's Employee Joint Consultative Committee.

59. Public Space Protection Order - St Peter's Passage

Purpose of Report

To inform the Executive of the proposal to implement a Public Space Protection Order to allow the gating of St Peter's Passage in Lincoln.

Decision

That the Public Space Protection Order permitting the gating of St Peter's Passage be approved and that this be reviewed in 12 months.

Alternative Options Considered and Rejected

None.

Reason for Decision

The purpose of the Public Space Protection Order would be to enable St Peter's Passage in Lincoln to be gated. The passage was currently a public right of way and was shown in Appendix A, with the introduction of the Order preventing public access to the passage.

The proposed Public Space Protection Order would be put in place for a maximum period of three years, after which a full review would take place.

The City of Lincoln, like other towns and cities nationally, had seen an increase in on-street antisocial behaviour particularly associated with substance misuse. These issues had manifested in the city centre with St Peter's Passage being used for crime and antisocial behaviour including the passage being used as a toilet.

The Policy Scrutiny Committee supported the proposal to implement the Public Space Protection Order with two recommendations, as follows:

- that the Public Space Protection Order be reviewed in 12 months;
- that the use of CCTV be used on the basis of public safety at the Glory Hole and Much Lane to address any potential disbursement as a result of implementing the Public Space Protection Order at St Peter's Passage.

Public consultation on the proposed Public Space Protection Order had been undertaken in August 2018 where all members of the of the Safer Lincolnshire Partnership and additional partners such as Lincolnshire Police, Lincoln Business Improvement Group, P3, Framework and Addaction were all invited to contribute and respond. All local ward members were advised of the consultation and the Communications team at the Council had also put information out into the public

domain to promote the consultation and attract as many responses as possible. 25 responses had been received, with 15 in favour, seven against and three being indifferent of gating St Peter's Passage. All comments received were set out in Appendix B to the report.

The Lincoln Business Improvement Group had committed to pay for the costs associated with the introduction of gates at either end of the passageway, so there would be no cost implications for the City Council as a result of agreeing to the Order. In answer to a question regarding access to keys for the locked gates, it was noted that any adjoining businesses to the passageway would be allocated with keys, as well as the City Council, the emergency services and the Lincoln Business Improvement Group.

Members agreed, reluctantly given that this passageway was a public right of way, that in the current circumstances the implementation of the Public Space Protection Order to allow the gating of St Peter's Passage in Lincoln was the right thing to do.

60. Proposed Commemorative Plaques Scheme for Lincoln

Purpose of Report

To provide the Executive with an opportunity to consider proposals for a Commemorative Plaque Scheme for the City of Lincoln.

Decision

That the Commemorative Plaque Scheme for the City of Lincoln be approved and it be agreed that:

- the unveiling of plaques be celebrated by holding a civic event;
- the balance between the number of men and women that were being recognised for a plaque be monitored;
- the current plaques be updated to the new style on a phased approach pending financial availability in the reserve and in liaison with the organisation or individual who originally erected it.

Alternative Options Considered and Rejected

Other options explored had included an unfunded scheme and fully funded scheme. An unfunded scheme would reduce the incentive to take part in a co-ordinated scheme as individuals could simply put up their own plaque. A fully funded scheme, whereby the Council undertook all of the background research and evidence gathering, could require significant additional staff resource.

Reason for Decision

An expression of interest to erect a plaque in park ward led to a request to consider the introduction of a city-wide Commemorative Plaque Scheme.

Outside of the blue plaque scheme in London there were some schemes currently in operation across the country, a few being operated by District Councils as set out in Appendix A. A small number of commemorative plaques were already in place at various locations across the city, erected under previous

schemes operated by the City of Lincoln Council and Lincoln Civic Trust. These schemes had now lapsed and no guidance or criteria currently existed.

Draft guidelines and criteria for a new Lincoln scheme, based on schemes operated by other Councils, was appended to the report. It was proposed that the scheme would be operated by Development Management within existing staff resources. However, it was noted that the new scheme would be partly funded by the City of Lincoln Council to cover the costs of producing and installing the plaque.

A budget of £2,000 had been identified to support the scheme from planning income which would be reviewed in due course.

The Policy Scrutiny Committee had considered this report at its meeting on 9 October 2018 and supported the scheme, but asked the Executive to consider the following:

- whether the unveiling of plaques should be celebrated by holding a civic event;
- that the balance between the number of men and women that were being recognised for a plaque be monitored;
- that the current plaques be updated to the new style.

It was noted that some plaques had been erected by organisations such as the Civic Trust. Such organisations would be contacted to seek their permission prior to updating any plaques.

During discussion it was noted that plaques could be used to commemorate events and also be used as remembrance for individuals or groups of people.

A question was raised as to whether a programme of updating current plaques would be put in place. It was noted that this would be dependent on the number of new applications received, with a phased approach to be introduced pending financial availability in the reserve.

61. Exclusion of the Press and Public

RESOLVED that the press and public be excluded from the meeting during consideration of the following items of business because it was likely that if members of the public were present there would be a disclosure to them of 'exempt information' as defined by Section 100I and Schedule 12A to the Local Government Act 1972.

This item was considered in private as it was likely to disclose exempt information, as defined in Schedule 12A of the Local Government Act 1972. No representations had been received in relation to the proposal to consider this item in private.

62. Land West of Tritton Road

Purpose of Report

To consider the sale of the Council's freehold interest in land west of Tritton Road.

Decision

That the recommendation contained within the report be approved.

Alternative Options Considered and Rejected

Alternative options considered and rejected were set out in paragraph 6.1 of the report.

Reason for Decision

Under the Towards Financial Sustainability Programme, realising capital receipts would allow the Council to invest in new income generating schemes. The proposal provided the Council with an opportunity to do this.