

Present: Councillor Ric Metcalfe (*in the Chair*),
Councillor Donald Nannestad, Councillor Chris Burke,
Councillor Bob Bushell, Councillor Rosanne Kirk and
Councillor Neil Murray

Apologies for Absence: None.

86. Confirmation of Minutes - 6 January 2020

RESOLVED that the minutes of the meeting held on 6 January 2020 be confirmed.

87. Declarations of Interest

No declarations of interest were received.

88. Council Tax Base 2020/21

Purpose of Report

To seek a recommendation of the Council Tax Base for the financial year 2020/21.

Decision

That the Council be recommended to:

- (1) Note that there are no special items as defined in Section 35 of the Local Government Act 1992 (as amended) applicable to any parts or part of the City of Lincoln local authority area.
- (2) Approves the Chief Finance Officers' calculation of the Council Tax Base for the financial year commencing 1 April 2020 and ending 31 March 2021, as set out in Appendix B of the report.
- (3) Approves, in accordance with the Chief Finance Officers' calculation, and pursuant to the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended), that the Council Tax Base for the 2020/21 financial year is 24,689.50.

Alternative Options Considered and Rejected

None.

Reason for Decision

Certain assumptions had to be made in order to determine the number of dwellings within the authority's area, as set out in Appendix A of the report.

The calculation of the Council Tax base, as detailed in Appendix B of the report, showed the number of Band D equivalent chargeable dwellings as being 24,689.50. This was based on the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended).

89. Localised Council Tax Support Scheme 2020/21

Purpose of Report

To review consultation responses and give consideration to a 'no change' scheme for the Local Council Tax Support Scheme for the financial year 2020/21, as well as proposals made in relation to an Exceptional Hardship Scheme, also regarding Council Tax changes.

Decision

That Council be recommended to:

- (1) Review consultation responses relating to the Localised Council Tax Support Scheme for 2020/21.
- (2) Approve a proposed 'no change' Council Tax Support Scheme for 2020/21 as set out in section 4 of the report.
- (3) Approve continuation of the £20,000 Exceptional Hardship Fund for 2020/21 to top up Council Tax Support awards in appropriate cases.
- (4) Approve Council Tax changes for 2020/21, being:
 - Care Leavers: 100% Council Tax exemption being extended up to their 25th birthday;
 - Council Tax empty homes premium: for any property empty between five and ten years to receive a premium of 200% (giving a total Council Tax charge of up to 300%), but subject to criteria as outlined in Appendix 3 of the report.

Alternative Options Considered and Rejected

None.

Reason for Decision

Based on the current core elements of the existing scheme, a caseload reduction of 1% had been modelled along with an increase in Council Tax ranging from 2% to 4%. These were summarised in Appendix 1, giving an indication of the potential cost and savings to the City Council.

As a billing authority, the Council could decide whether or not to amend core elements of its scheme each year. Officers were not proposing any changes to the core elements of the scheme as part of this report. In developing the modelling for each of the Council Tax Support Scheme options a number of assumptions had been made, as set out in paragraph 4.3 of the report.

Alongside a proposed 'no change' Council Tax Support Scheme for 2020/21, it was also suggested that £20,000 for an Exceptional Hardship Scheme continued. Exceptional Hardship Payments assisted persons who had applied for Council Tax Support and who were facing 'exceptional hardship'.

Details regarding the care leavers Council Tax exemption and Council Tax empty homes premium were set out in paragraphs 5.1 and 5.2 of the report respectively.

The outcome to the consultation undertaken from 30 October 2019 to 14 January 2020 was set out in Appendix 2 of the report, together with responses from Lincolnshire County Council and the Lincolnshire Police and Crime Commissioner at Appendices 5 and 6 respectively.

This report had been considered by the Policy Scrutiny Committee at its meeting on 14 January 2020 which supported the recommendations contained within.

90. Draft Medium Term Financial Strategy 2020-25

Purpose of Report

To consider the draft Medium Term Financial Strategy for the period 2020-2025 and the draft budget and Council Tax proposal for 2020/21 for consultation and scrutiny.

Decision

- (1) That the Executive approves for consultation and scrutiny:
 - The draft Medium Term Financial Strategy 2020-2025 and
 - The draft Capital Strategy 2020-2025
- (2) That these included the following specific elements:
 - a proposed Council Tax increase of 1.9% for 2020/21;
 - a proposed housing rent increase of 2.7% for 2020/21;
 - the Council being a member of the Lincolnshire Business Rates Pool in 2020/21;
 - the draft General Fund Revenue Forecast 2020/21-2024/25 as shown in Appendix 1 of the report and the main basis on which the budget had been calculated;
 - the draft General Investment Programme 2020/21-2024/25 as shown in Appendix 2 and the main basis on which the budget had been calculated;
 - the draft Housing Revenue Account Forecast 2020/21-2024/25 as shown in Appendix 3 and the main basis on which the budget had been calculated;
 - the draft Housing Investment Programme 2020/21-2024/25 as shown in Appendix 4 and the main basis on which the programme had been calculated.

- (3) That delegated authority be granted to the Chief Finance Officer for approval of the final Business Rates Base for the financial year commencing 1 April 2020 and ending 31 March 2021 and submission of the base (via the NNDR1 return) to the Ministry of Housing, Communities and Local Government by 31 January 2020.
- (4) That, subject to (3) above, all changes to the base estimated in the draft Medium Term Financial Strategy 2020-25 be reported to the Executive as part of the final Medium Term Financial Strategy 2020-25 on 24 February 2020.

Alternative Options Considered and Rejected

None.

Reason for Decision

Prior to submission of the Medium Term Financial Strategy 2020-2025 and the budget and Council Tax proposal for 2020/21 to Full Council, the initial draft as appended to the report would be subject to public consultation and member scrutiny via the Budget Review Group.

The report provided an overview of the General Fund, which included updates on the following:

- provisional finance settlement 2020/21;
- revenue support grant;
- new homes bonus;
- business rates retention;
- council tax;
- spending plans;
- the Council's Towards Financial Sustainability Programme;
- robustness and adequacy of the budget and reserves.

An overview of the Housing Revenue Account was also set out in the report and provided updates on the following:

- housing rents;
- financing the capital programme;
- robustness and adequacy of the budget and reserves.

The report also provided updates on the General Investment Programme, the Housing Investment Programme and the Capital Strategy.

91. Collection Fund Surplus or Deficit - Business Rates

Purpose of Report

To inform the Executive of the estimated balance for the Business Rates element of the collection fund and the surplus or deficit to be declared for 2019/20.

Decision

- (1) That the action of the Chief Finance Officer in declaring a business rates surplus of £802,023 for 2019/20 be confirmed, subject to the confirmation of the business rates base by 31 January 2020.
- (2) That any amendments to the declared deficit be notified to the relevant preceptors and included in the final Medium Term Financial Strategy 2020-25 to be presented to the Executive on 24 February 2020.

Alternative Options Considered and Rejected

None.

Reason for Decision

Prior to setting the Council Tax for 2020/21 the City Council was required to estimate whether there would be a surplus or deficit on both the Council Tax and Business Rates elements of the collection fund for the current financial year, 2019/20.

The Executive, at its meeting on 6 January 2020, declared a surplus on Council Tax of £382,814 for the financial year 2019/20 of which its share was £57,809. The Council would declare a surplus on the business rates collection fund of £802,023 for 2019/20, subject to confirmation of the Business Rates base by 31 January 2020 of which its share was £144,168.

92. ICT Strategy 2019-2025

Purpose of Report

To seek approval of the proposed ICT Strategy for 2019-25.

Decision

That the ICT Strategy for 2019-25 be approved.

Alternative Options Considered and Rejected

None.

Reason for Decision

The Council's ICT Team had been working with Foresight Consultants on a proposed ICT Strategy for the period 2019-25. The Strategy was based on:

- Council priorities and the likely challenges facing the service over the next three years;
- supporting Vision 2025 and the One Council agenda;
- interviews with key stakeholders;
- reviews of current infrastructure;
- potential future requirements;
- meetings with stakeholders;
- industry developments.

Four key themes had been identified as part of the Strategy, which were:

- channel shift – customer services;
- new ways of working;
- value for money;
- high availability and high performance.

The Strategy was also designed to support the Vision 2025 and One Council agenda through new technologies and service support, including:

- new and upgraded systems;
- mobile working equipment and processes;
- enhanced web and self-service provision;
- cloud provision of services.

There were some key elements without which the ICT function could not operate. Aside from the people and skills which were critical for operating the service, some elements of the ICT infrastructure were required to form a platform for services. These included the data storage, servers, network, telephony and disaster recovery capability. Whilst some investment resources had been committed, these would be reviewed as part of the ongoing budget process, as set out in the Strategy itself.

In terms of aspirational and line of business services, section four of the Strategy set out the proposals for the Council's applications. This included:

- the applications that the Council was utilising;
- the way they were consumed;
- the mix and spread of applications and how they may be rationalised;
- underlying platforms;
- staff skills and training to effectively utilise software;
- customer requirements for self-service.

Many of these elements required investment and would be considered in more detail over the period of the strategy on a business case based approach.

A copy of the proposed Strategy was appended to the report.

Councillor Ric Metcalfe, Leader of the Council, was pleased that the Strategy reflected the One Council approach and linked into the authority's Vision 2025, emphasising that ICT was imperative as to how the organisation conducted all of its business.

It was noted that consultants with significant experience in working with other local authorities had supported the development of this Strategy as an independent, critical friend.

Councillor Metcalfe thanked Matt Smith, Business Development and IT Manager, and his team for an excellent piece of work.

93. Council House and Garage Rents 2020/21

Purpose of Report

To consider a proposed increase in council house rents in line with the Government's Rent Policy for social housing from 1 April 2020 onwards and to seek approval for the introduction of revised rents from Monday 6 April 2020.

Decision

That Council be recommended to approve the following increases to ensure that rent notices can be sent to tenants prior to the start of the new financial year and provide them with the requisite 28 day notice period:

- (1) The basis of rent calculation for changes to individual council house rents, as set out in paragraph five of the report, representing an increase in the average calculated 52 week council house net rent in 2020/21 of 2.7% for social housing rents at £1.83 per week and affordable rents at £2.85 per week increase per property.
- (2) The increase of garage rents for 2020/21 in accordance with the proposal in paragraph 6.1 of the report by 3%.

Alternative Options Considered and Rejected

None.

Reason for Decision

In keeping with the Housing Business Plan approved by the Council and the Government's rent guidelines, the formula rent rise for 2020/21 was based on the Consumer Price Index in the previous September plus 1.0%. In Lincoln's case this meant an average rent increase of 2.7% from Monday 6 April 2020, although this was an average rent increase across the Council's stock.

As a result of the continued erosion of stock numbers as a result of the Right to Buy regime, despite increasing rents as above, budgeted rental income would drop by £296,000 from £28.319 million in 2020/21. Despite actively buying back properties, stock numbers continued to reduce due to Right to Buy and to date 18 purchases had been completed on a range of one, two and three bedroomed properties.

Between April and December 2019, 42 properties had been sold under the Right to Buy, the majority of which were two bedroomed properties but ranged from one, two, three and four bedroomed properties.

There had therefore been a net reduction in stock of 24 properties which had a direct impact on rental income.

The average weekly increase for the City Council based on data at 12 December 2019 for net social housing rent, calculated over 52 weeks, would be £69.57 per week for 2020/21 compared to £67.74 per week for 2019/20. This represented an average equivalent increase of income per property of £1.83 per week over 52 weeks, with the 50 week average rent being charged at £72.35.

There were currently 208 properties charged at an affordable rent which was higher than social housing rent. Based on data as of 12 December 2019 the increase on the average weekly rent over 52 weeks would result in an increase from £105.52 per week in 2019/20 to £107.87 per week for 2020/21. This equated to an average equivalent increase of income per property of £2.35 per week over 52 weeks, with the 50 week average rent being charged at £112.18.

It was noted that the Tenants' Panel at a recent meeting was supportive of the proposals and understood the reasons for the increase.

94. Woodland Trust - Tree Charter

Purpose of Report

To seek agreement to the Council adopting the Woodland Trust's Tree Charter, in principle, so as to ensure its overriding principles were used in the development of other relevant Council policies.

Decision

- (1) That the Council adopts the Woodland Trust's Tree Charter, in principle, on the basis that these will be its guiding principles to be considered when assessing tree related issues and that, having adopted it in principle, it does not bind the Council to it exclusively to the detriment of other strategic objectives.
- (2) That the Council agrees to work with the Woodland Trust and other partners to translate the Tree Charter principles into action in the City of Lincoln both in terms of policy development and tree planting, in particular to help the Council deliver its commitment to tackling the climate emergency.

Alternative Options Considered and Rejected

None.

Reason for Decision

The Woodland Trust was a charity established to protect ancient trees and woodland, as well as promoting trees and the benefits of trees. To assist in the Trust's mission, it had produced a Tree Charter which set out ten key high level strategic considerations that it wished individuals and organisations to embrace in their thinking about trees.

The Woodland Trust was seeking as many signatories to the Tree Charter as possible as tangible evidence of the nation's support for its ideals.

A copy of the Tree Charter was appended to the report and included ten key principles, as follows:

- nature – sustain landscapes rich in wildlife;
- planning – plant for the future;
- arts and heritage – celebrate the power of trees inspire;
- health and wellbeing – recover health, hope and wellbeing with the help of trees;

- protection – protect irreplaceable trees and woods;
- planning – plan greener local landscapes;
- utility and livelihoods – grow forests of opportunity and innovation;
- coping with threats – combat the threat to our habitats;
- people and access – make trees accessible to all;
- environment – strengthen our landscape with trees.

The Trust had suggested that the Council may wish to consider adoption of the Tree Charter in principle as a first step and that this could be a stepping stone to the development of other suitable policies across the Council, over time.

95. Private Sector Housing Enforcement

Purpose of Report

To seek approval of the introduction of three new fees and charges, the amendment of the existing Houses in Multiple Occupancy licensing fee structure within the Private Sector Housing Team and approval of a related delegation of authority to the Assistant Director for Health and Environment.

Decision

That Council be recommended to:

- (1) Approve the introduction of a variable charge to recover costs associated with the service of specified enforcement notices, as set out in paragraph 4.4 of the report but that charges do not apply to owner occupiers.
- (2) Approve the introduction of a charge for Civil Penalties issued under the provisions of the Housing and Planning Act 2016 of up to £30,000 per offence as an alternative to prosecution for specific offences under the Housing Act 2004.
- (3) Approve the introduction of a penalty notice charge under the provisions of the Smoke and Carbon Monoxide Alarm (England) Regulations 2015 and that the penalty be set at £5,000, with a reduction to £2,500 for the first breach if the penalty charge is paid within 14 days, and repeat breaches be set at £5,000 with no discount for early payment.
- (4) Approve the removal of the 5% discount off the Houses in Multiple Occupation basis fee for multiple applications.
- (5) Delegate authority to the Assistant Director for Health and Environment in relation to (1) to (3) above in order that they can agree, in certain circumstances, to reduce or waiver the charge.

Alternative Options Considered and Rejected

None.

Reason for Decision

The introduction of the three new fees and charges would seek to act as a deterrent and encourage private landlords, in particular, to engage with the Private Sector Housing Team to improve the health and safety standards in properties throughout the city.

The first was to introduce a variable fee and charge to recover the costs of certain types of enforcement action taken under the Housing Act 2004.

The second fee, a variable charge up to a maximum £30,000 for imposing a civil penalty mainly on private housing landlords, was an alternative enforcement sanction to prosecution for specific offences under the Housing Act 2004.

The third fee, the introduction of a penalty charge notice up to a maximum of £5,000 under the provisions of the Smoke Alarm and Carbon Monoxide Regulations 2015.

A fourth amendment sought to amend the House in Multiple Occupation licensing fee structure by removing the multiple application discount.

Further details relating to these four proposed changes were set out in the body of the report.

It was recognised that in certain circumstances there needed to be some flexibility in the levying of charges. Delegated authority was therefore sought to enable the Assistant Director for Health and Environment to reduce or waive the charge. It was emphasised that any such reduction or waiver would be carefully considered, taking into account the circumstances of each particular case.