

**RECOMMENDATIONS TO CABINET ON 5TH FEBRUARY 2014 FROM THE
REGENERATION, ENVIRONMENT AND COMMUNITY PANEL MEETING ON 29TH
JANUARY 2014**

**REC112: CABINET REPORT – DISCHARGE OF HOMELESSNESS DUTY BY
PRIVATE RENTED SECTOR OFFER OF ACCOMMODATION**

The Strategic Housing and Community Safety Manager presented the Cabinet report which explained the legislative and procedural arrangements for the discharge of the homelessness duty by a private rented sector offer of accommodation as set out in the Social Housing Allocations Policy.

The Panel was informed that under the Localism Act the council had the power to offer a private sector rented offer of accommodation to discharge the homelessness duty. These powers had been reflected in the Council's Social Housing Allocations Policy. The report presented to the Panel now considered a detailed policy of how the power could be used.

The Panel was informed that when a household was accepted as statutorily homeless, the local housing authority had a duty to secure suitable, available accommodation for the household. Previously the offer had been in the form of an offer of social housing accommodation. An offer of suitable private rented accommodation could also be made but up until November 2013 it required the consent of the applicant.

New statutory regulations had been produced which allowed suitable private sector rented offers to be used without requiring the applicant's agreement.

The Strategic Housing and Community Safety Manager explained that it was important to have the ability to use this power, especially due to the increase in homelessness applications being received by the Council. The power would hopefully reduce the amount of time households were in temporary accommodation, such as bed and breakfasts and would provide more stability.

The Panel was informed that when a household became homeless and was offered temporary accommodation they could continue to bid for social housing in the normal way. If the household was unsuccessful after six weeks, the Council could bid on housing on their behalf, or the household could be offered further temporary accommodation on a tenancy basis. Now the household could also be offered private sector rented accommodation if appropriate.

The Strategic Housing and Community Safety Manager explained that there had previously been concerns with the standard of private sector rented accommodation being offered, but the Council was duty bound to ensure that the accommodation adhered to minimum standards and

inspected the accommodation in advance of an offer being made to a household.

The Council would also carry out an affordability assessment to ensure that the household could afford the offer of accommodation. Ongoing reviews and monitoring was also carried out.

The Chairman thanked the Strategic Housing and Community Safety Manager for his report. Questions and comments were invited from the Panel, some of which are summarised below.

Councillor Mrs Smeaton referred to landlords who had trouble with receiving direct payment and felt that if this issue was resolved, it may reduce the amount of eviction notices being served. The Strategic Housing and Community Safety Manager agreed to liaise with Councillor Mrs Smeaton on this issue.

Councillor D J Collis raised concerns that some of the Council's policies were not very constructive and referred to the Social Housing Allocations Policy which had shortened the social housing register, meaning that some households had been removed. He referred to an example of a household who had been offered unsuitable accommodation within the private sector as a result of a homelessness application because the household had been removed from the housing register. He highlighted that some landlords were reluctant to offer private sector rented accommodation to people who claimed benefits. The Strategic Housing and Community Safety Manager acknowledged that the pressure on the private sector had increased due to an increased demand for rented accommodation and acknowledged that some landlords were reluctant to offer accommodation to people on benefits, but he highlighted that not all homelessness applications were from households which claimed benefits. Any offers of private sector rented accommodation to discharge the homelessness duty would have been prearranged with the landlord and would be let for a minimum tenancy of twelve months.

In response to a question from Councillor D J Collis, the Strategic Housing and Community Safety Manager explained that the Council already had the power to offer private rented sector accommodation to discharge the homelessness duty, but previously it required the applicant's consent, so the process was not a new one, but one that had been used previously. Work was ongoing with landlords who had accommodation available. He explained that the extent to which it would be used was unknown, but felt that it was important to have a policy in place to use the powers as required, especially when there was an increase in homelessness applications.

Councillor Chenery of Horsbrugh asked if there was a cap on the amount of rent the private sector could charge, to which he was informed that there was not, but landlords often took into account the

maximum amount of housing benefit available when deciding on their charges.

Councillor Leamon asked if the refugees from Syria which would be accepted into the UK would have an effect on the Council, to which she was informed that at the moment it was unknown.

Councillor Howland explained that he was a letting agent and was aware of instances where landlords would not rent accommodation to households or individuals who claimed benefits and asked if the Council provided assistance to people who were unable to pay their rent or come up with a deposit for rented accommodation. The Private Sector & Mortgage Rescue Officer explained that the Council did have a homelessness prevention fund which offered loans of up to £1,000 which could be used to assist with a deposit or rent. The loan was payable direct to the landlord.

Councillor D J Collis referred to the bedroom tax and asked if this had an effect on available accommodation which could be offered. The Portfolio Holder for Community, Councillor Lawrence commented that the report which was being considered should be seen as “another string to the bow” as each homelessness application was different, some households were made homeless but still had funds available for a deposit or rent. The discharge of the homelessness duty by an offer of private sector rented accommodation was just another option which could be used by the Council and should be welcomed. The Portfolio Holder for Community referred to the hard work carried out by the Homelessness Team in trying to prevent homelessness and finding suitable accommodation for households which had been made unintentionally homeless.

Councillor Foster addressed the Panel under Standing Order 34 and referred to page 7 of the agenda point 5.2 which stated that private sector rented offers of accommodation should have a suitable carbon monoxide alarm fitted. He felt that it was crucial that relevant accommodation must have alarms fitted and asked that the policy be amended to reflect this. The Strategic Housing and Community Safety Manager noted the comment made by Councillor Foster.

Councillor Foster referred to page 6 paragraph 4.2, which referred to section 3.1 of the policy. He explained that “section 3.1” was irrelevant to the paragraph and that this should be amended to read “section 4.1”. Councillor Foster also referred to section 3.8 of the policy which said that regional preference would be given, but in section 3.10 it stated that once the homelessness duty had been discharged preference would not be given. Councillor Foster felt that more information needed to be provided on what regional preference was provided. The Strategic Housing and Community Safety Manager agreed to add more detail on regional preference to the policy.

In response to a question from Councillor Foster, the Private Sector & Mortgage Rescue Officer explained that although the initial tenancy was for one year the Council had a reapplication duty, so if the household was made unintentionally homeless at the end of the initial tenancy agreement the Council had another duty to assist.

Councillor Foster referred to the recommendations as set out within the report which delegated authority to the relevant portfolio holder to make minor changes to the policy and he asked what was considered to be a minor amendment. The Portfolio Holder for Environment, Councillor Long reminded those present that reports often delegated authority to the relevant Portfolio Holder to make minor amendments, such as the changes highlighted by Councillor Foster above. He explained that any major amendments would need to go through the Cabinet process as required.

The Strategic Housing and Community Safety Manager explained that the policy would be constantly reviewed and monitored and if things were seen not to be working they could be slightly changed. Also changes in legislation could come into effect which would require that the policy be slightly amended. He explained that the report asked the Panel to support the general principle of the policy.

Councillor D J Collis asked for it to be recorded that he abstained from voting on the recommendation.

RESOLVED: That the Regeneration, Environment and Community Panel support the recommendations to Cabinet as follows:

- (i) That the Private Rented Sector Offer Policy and Procedure detailed in Appendix A of the report be approved for discharge of homelessness duty.
- (ii) That the Chief Executive in consultation with the Portfolio Holder with responsibility for housing is delegated authority to make minor amendments to this Policy

REC114: **CABINET REPORT – CAPITAL PROGRAMME AND RESOURCES 2013-2017**

The Chief Financial Officer presented the Cabinet report which set out the Capital programme for 2013/2017. The report reviewed progress against the current year spend and reviewed resources available. It also projected the programme by a further year to 2016/2017.

The Panel was reminded that monthly budget monitoring reports were sent to Members. The Chief Financial Officer drew attention to the following parts of the report:

- The summary of amendments to the programme.
- The latest monitoring position.

- Further amendments to 2013/2014 and rephrasing of the budget.
- The amendment to the refuse and recycling budget which included a higher than originally anticipated cost of replacement black bins for the new contract. This had been funded through the revenue budget.
- Amendments to the Private Sector Housing Assistance budget to reflect the current requirements which had resulted in an overall budget reduction of £253,100.
- The new fitness suite to the Downham Market Leisure Centre was now not being progressed at this time and the budget had been deleted from the capital programme.
- Major programmes such as the NORA Joint Venture and Major Housing development.
- Section 4 of the report added 2016/2017 to the programme and it was explained that given the current financial position of the Council and the limited resources available, new bids on the capital programme had been controlled.
- The format of the report had changed and was now broken down by Executive Director.
- Page 42 of the report summarised the Capital Programme and page 43 looked at the capital resources available.

The Chairman thanked the Chief Financial Officer for the presentation of the Capital Programme and invited questions and comments from the Panel, some of which are summarised below.

Councillor Mrs Collingham asked for clarification on the cost of the refurbishment of the staff conveniences at King's Court. The Chief Financial Officer explained that following the tender exercise for this additional budget had to be released with the total cost being £140,000. This budget would include replacement of all the sanitary ware and improvements to the plumbing system.

Councillor Foster addressed the Panel under Standing Order 34 and referred to page 53 of the report and the £30,000 budget for St Edmunds Church in Downham Market. He asked if this was considered to be a special expense and if the Council could claim it back from the Town Council. The Deputy Chief Executive explained that it was not charged as a special expense and would be a hefty charge to impose on the Town Council. He explained that in order for charges such as this to be considered as a special expense a change in policy would have to be agreed by the Council.

Councillor Foster asked for clarification with regard to closed Churchyards and the Deputy Chief Executive explained that the Church could pass the Churchyard to the Parish or Town Council, who then had a period of time in which they could hand it over to the Borough Council.

Councillor Mrs Collingham referred to page 35 of the report and the cost of the new bins for refuse and recycling. It was confirmed that the cost was for the new black bins and food caddies to be rolled out across the borough. The Portfolio Holder for Environment reminded those present that savings had been achieved through the new refuse and recycling contract.

RESOLVED: That the Regeneration, Environment and Community Panel support the recommendations to Cabinet as follows:

It is recommended that:

- 1) Cabinet recommends to Council the amendments to the capital schemes and resources for the 2013-2017 capital programme as detailed in the report.
- 2) Cabinet recommends to Council that new capital bids of £195,000 are to be funded from available capital resources and included in the capital programme 2014-2017.

REC115: **CABINET REPORT – THE FINANCIAL PLAN 2013/2017**

The Deputy Chief Executive presented the full Financial Plan 2013/2017 which provided an overview of the budget proposals and would be considered by Cabinet on 5 February 2014. Council would be asked to approve the Financial Plan 2013/2017 and the Council Tax for 2014/2015 on 27th February 2014. The Financial Plan had also been presented to the Resources and Performance Panel the previous evening.

The Deputy Chief Executive drew attention to the following parts of the Financial Plan:

- The format of the revenue budget had been amended to show budgets by Executive Director.
- The Democracy budget included Members expenses and the Civic function etc.
- The projected general fund balance as at 31 March 2014 would be £4,274,935 which would support the plan for the next three years.
- The Council would have to draw on its balances over the next three years because of the reduction in the Government Grant.
- Section 3 of the report showed the cost of services based on assumptions made on the increase in costs. General inflation had been estimated at zero so there would be no increase in the general spending.
- Section 3.10 of the report outlined the changes to the current financial plan and the revised budget for 2014/2015 and 2015/2016 which were projected balances based on last year's plan.

- Section 3.11 of the Plan showed major changes to the plan and included savings achieved through the new Materials Recycling Facility and Leisure Trust arrangements.
- A contribution of £180,000 had been included for 2014/2015 to provide cover for any potential shortfall in bids for funding for the Town Hall/Public Realm scheme.
- An additional provision of £100,000 for car parking promotions had been included, bringing the sums available each year to £200,000.
- Savings had been achieved from the review of the Revenues and Benefits service.
- There would be a reduction in Government grant towards the cost of benefits administration of £120,190 in 2014/2015 and £164,190 in 2015/2016.
- Section 3.12 of the Plan looked at the projections for 2016/2017 and included major changes such as the additional budget provision for car parking promotions, increased costs relating to national insurance charges and stabilisation of the pension fund.
- Fees and Charges were outlined in section 3.14 of the Plan and it was proposed that there would be no increase in car parking charges and evening parking charges in Hunstanton would remain suspended.
- Internal Drainage Board levies paid by the Council were outlined. King's Lynn Internal Drainage Board had held their levy at the current level.
- Special expenses levels would be frozen in line with the proposals to freeze council tax.
- In 2013 changes had been made by Government on the arrangements for the payment of benefit for local council tax support through the reduction in council tax base and this had an impact on the level of parish/town precepts and special expenses which could be made on the council tax bill.
- Page 20 of the Plan set out the general fund balances and reserves available. The CIPFA recommended amount to be held in reserves was 5% of spend.
- Section 4 of the Plan detailed the revenue support grant and business rates retention scheme.
- With regard to Government grant funding it was explained that over the two years 2014/2015 and 2015/2016 the Government had provided funding of £1,270,830 less than anticipated in the current Financial Plan. There were no provisional figures for the level of funding to the Council for 2016/2017, but it had been assumed that a further cut would be made to the funding and a provisional figure of £8,432,510 had been included in the plan.
- The Financial Plan also showed that in 2016/2017 the Council would be spending £1.6m more that would be raised through council tax, government grants and fees and charges, meaning that savings must be continually looked at.

- The Financial Plan showed that the grant to the Council would be reduced by 16% in cash terms over the period 2013/2016.
- Members were informed that an additional funding stream available to the Council came from the retention of growth in business rates. In 2014/2015 the Council would retain 40% of net growth in the business rates achieved in the preceding year. Further growth in 2014/2015 and 2015/2016 would also produce additional income to the Council in the subsequent financial year. The funding estimated to be retained by the Council in 2014/2015 was £480,000.
- The Deputy Chief Executive explained that in 2011 the Government had introduced an incentive for Councils to increase housing supply by rewarding them with a New Homes Bonus. The value of the Bonus was equal to the national council tax band D on each additional property added to the council tax list in a year and was paid for the following six year period.
- The Panel was informed that the financial settlement from the government included an incentive for Councils to hold council tax at its current level. If the Council did not increase the Council Tax then the Government would provide extra grant funding, which was the equivalent to 1% of council tax income. The Financial Plan for 2014/2017 assumed no increase in council tax until April 2016.

The Chairman thanked the Deputy Chief Executive for the presentation of the Financial Plan and invited questions and comments from the Panel, some of which are summarised below.

Councillor Moriarty asked if the proposals for the Leisure Trust would have an effect on the Business rates retention scheme. The Deputy Chief Executive explained that it would, but it would be less than the savings achieved through the arrangements.

Councillor Pitcher referred to budget deficit in 2016/2017 and asked if the level of savings required were likely to be achieved. The Deputy Chief Executive referred to the cost reduction programme which was presented to Cabinet in November 2013 and felt confident that savings could be achieved. He explained that Officer Groups had been set up to look at how savings could be achieved through channel switching, printing and ICT. He acknowledged that it would be challenging to make the savings as many of the “big wins” had already been achieved.

The Chief Executive explained that he was confident that the savings would be achieved for 2016/2017, but reminded Members that that would not be the end of the task as it was likely that Government grant would reduce even further. He explained that it was important to stay as much ahead as possible and aim to be balanced for the subsequent two years.

In response to a question from Councillor D J Collis, the Deputy Chief Executive explained that the current cost saving proposals and budget did not include proposals to reduce the staffing numbers.

Councillor D J Collis referred to the Internal Drainage Board levies and urged Members who were Borough Council representatives on the Drainage Boards to inform the Council of their levy levels for forthcoming years.

In response to a question from Councillor Bubb, the Deputy Chief Executive explained that no budget provision had been considered for fracking.

The Portfolio Holder for Environment explained that proactive management of the budget was important. He referred to the savings achieved through the Materials Recycling Contract, Leisure Trust, New Homes and other Regeneration projects. He reiterated the comment made by Councillor D J Collis in that representatives on Internal Drainage Boards should actively monitor the budgets of the Board.

Councillor D J Collis abstained from voting on the recommendation.

RESOLVED: That the Regeneration, Environment and Community Panel support the recommendations to Cabinet as follows:

Recommendation 1 – It is recommended that Council approve the revision to the budget for 2013/2014 as set out in the report.

Recommendation 2 – Council is recommended to reaffirm the Balances and Reserves Policy and the maximum balances set for the reserves as noted in the report.

Recommendation 3 – It is recommended that Council:

- 1) Approves the budget of £18,805,380 for 2014/2015 and notes the projections for 2015/2016 and 2016/2017.
- 2) Approves the level of Special Expenses for the Town/Parish Councils as detailed in the report.
- 3) Approves the Fees and Charges 2014/2015 detailed in Appendix 3.
- 4) Approves a Band D council tax of £111.97 for 2014/2015.

Recommendation 4 – Council is recommended to approve a minimum requirement of the General Fund balance for 2014/2015 of £974,515

REC117: **KING'S LYNN TOWN HALL AND PUBLIC REALM**

The Executive Director reminded the Panel that at their meeting on 27th November 2013 the Panel received detail on the proposals for the public realm scheme to enhance the Saturday Market Place and the project for the King's Lynn Town Hall which was to be submitted to the Heritage Lottery Fund (HLF) for grant aid.

Feedback from the HLF had now been received and their main issue was the level of grant requested, £1.95m, which was very close to their £2m threshold. Accordingly changes had been made to reduce some of the costs and £60,000 would be covered by the Borough Council from the Town Hall reserves. The grant requested from the HLF was now £1.85m

The Council had also bid for other grants to assist with the scheme, but budget provision was available if these were not forthcoming.

Norfolk County Council was continuing to carry out statutory consultation work and in general the scheme had received positive feedback from stakeholders and members of the public.

The Executive Director informed those present that a report would be presented to the Cabinet meeting on Wednesday, 5th February 2014 requesting that the Cabinet approve the proposals and the Stage 2 application to the HLF.

The Chairman thanked the Executive Director for the update and invited questions and comments from the Panel, some of which are summarised below.

Councillor Moriarty asked what would happen if the HLF did not award all of the funding and how the shortfall would be met. The Executive Director explained that the HLF would either award all or nothing.

Councillor D J Collis asked for detail on the proposals for the traffic flow. The Executive Director explained that issues with the traffic flow on College Lane and Nelson Street were still being investigated as part of the consultation process.

RESOLVED: That the Regeneration, Environment and Community Panel support the recommendations to Cabinet as follows:

That Cabinet:

- 1) Approve the proposals for the Saturday Market Place
- 2) Approve the Stage 2 application to the HLF for the Town Hall including an additional contribution of £60,000 from the Town Hall reserves.
- 3) Agree that in the event of a successful award from the HLF that the Council undertake to meet any shortfall in this project to enable the project to progress.
- 4) Delegate authority to the Executive Director of Commercial Services in consultation with the Portfolio Holders for Health and Wellbeing, Assets, Resources, Regeneration to make any minor amendments to the scheme prior to its final submission to the HLF