

CABINET

At a meeting held on Tuesday, 3 September 2019

Present:-

Councillor Ms E Colling (Vice-Chair, in the Chair);
Councillors Mrs J Jefferson and T Randerson

1. DECLARATIONS OF INTEREST

Councillor Jefferson declared a personal interest in agenda item 7, Homelessness and Rough Sleeping Strategy 2019-23, since she was a trustee of the Rainbow Centre and Chair of North Yorkshire County Council Young People Overview and Scrutiny Committee.

2. MINUTES

RESOLVED that the minutes of the meeting held on 16 July 2019 be approved as a correct record and signed by the Chairman.

3. PUBLIC QUESTION TIME

The Chair reported that no public questions had been received.

4. FORWARD PLAN

The Cabinet considered the Forward Plan (Reference 19/178). The Chair reported the addition of an item under her portfolio: new updated Safeguarding Policy and Procedures (adults and children) for the October meeting.

RESOLVED that, subject to the above amendment, the Forward Plan be approved.

5. PROGRESS OF SCRUTINY OF EXECUTIVE DECISIONS

Members were advised that there had been no call-ins of executive decisions since the last meeting on 16 July.

6. ADOPTION OF TOWN IMPROVEMENT CLAUSES ACT 1847 AND OF NAMING AND NUMBERING POLICY

The Cabinet considered a report by the Director (RB) (Reference 19/162) in respect of a new Street Naming and Numbering Policy and its statutory basis. Members were advised that legal research had revealed that although the Council used the Town Improvement Clauses Act 1847 (including the 1875 Public Health Act and 1907 Public Health Acts Amendment Act) as the framework for its street naming and numbering functions, there was no formal evidence of adoption of the Act. This report therefore sought to address this gap whilst proposing a new updated Street Naming and Numbering Policy which incorporated the guidance and recommendations contained in the Data Entry Conventions and Best Practice for the National Address Gazetteer published by GeoPlace ®. In reply to a Member's question, the Director, Mr Bradley confirmed that the new policy concerned the naming and numbering of streets, not the name of housing developments decided by developers to market sites.

RESOLVED that the Council be recommended to:

- i) adopt the Town Improvement Clauses Act 1847 (including 1875 Public Health Act and 1907 Public Health Acts Amendment Act) as the basis for its decision-making on matters appertaining to street naming and numbering; and
- ii) adopt the Street Naming and Numbering Policy.

Reasons

The adoption of the Act and Policy will provide both a framework and guidance for the Authority to operate its Naming and Numbering functions for the benefit of residents, businesses and visitors. This will ensure that streets are named and properties can be located by emergency services, visitors and will assist with the reliable delivery of services and products.

7. HOMELESSNESS AND ROUGH SLEEPING STRATEGY 2019-23

The Cabinet considered a report by the Director (NE) (Reference 19/153) in respect of a Homelessness and Rough Sleeping Strategy for the period 2019-23. Members were advised that the strategy, which was a legal obligation, included a review of levels of homelessness within the Borough as well as key actions required over coming months to effectively meet future challenges. Nationally, there had been a 42% increase in homeless households since 2010, a 70% increase in households living in temporary accommodation, with local authority spending on temporary accommodation for homeless people having risen to £1 billion a year. Locally, despite reductions in homeless households from 142 in 2010/11 to 109 in 2017/18, numbers overall had been steadily rising in the last 18 months. Of note was that the Council's duties towards homeless people were considerably increased in 2018 through the implementation of the Homeless Reduction Act. Overall the Act extended the duties of the Council to a much broader group than it historically had a duty to help. Further challenges identified in the strategy were the heavy reliance on the private rented sector coupled with the impact of Universal Credit making landlords more risk averse, increased levels of rough sleeping, and the effect of wider public sector funding cuts, in particular the impact of future commissioning decisions by North Yorkshire County Council regarding housing related support services for the homeless and young people. In this regard, the Housing Manager advised that the County Council was intending to reduce funding for the Young Persons' Pathway by 40% - a central pillar of local services – which would have significant implications for the Council and would be the subject of further reports to Members. To meet these challenges, the Action Plan set out inter alia to sustain key prevention services and bolster local partnership arrangements, increase capacity within the Housing Options team through a restructure, reduce use of B&B and increase the pool of Housing Association owned temporary accommodation through the use of capital funding, and continue to tackle the main causes of homelessness including domestic violence, in particular a fresh assessment of the need for a local women's refuge. The latter in particular had been given strong support by the Overview and Scrutiny Board, reflected in the report, for which the strategic support of the County Council was required. The service's effectiveness had been recently validated by a very positive external review by the National Practitioner Support Service. In 2018/19 of the 401

households to whom the Council owed a statutory homeless prevention duty, 339 households (84%) had their homelessness prevented by the Council or one its partners, significantly higher than the national average of 53%. Members then commented on the report. The Portfolio Holder for Finance and Operations, Councillor Jefferson advised that in her position as Chair of the County Council Young People's Overview and Scrutiny Committee she would be raising her concerns about the proposed funding reduction for the Young People's Pathway at County Hall through both the scrutiny function and the Area Constituency Committee, noting that Scarborough Borough had the highest number of looked after children in North Yorkshire. In this respect, the Housing Manager added that of all young people's presentations in North Yorkshire, some 40% occurred in the Borough, and that he had volunteered to represent district councils working with the County Council to help shape the review of this service. Councillor Randerson maintained that the women's refuge was an essential component of the service, and offered to use his position as a county councillor to help push for this facility. The Housing Manager confirmed that the evidence pointed to a clear local need for the refuge. In reply to the Chair's questions, he added that the Council both relocated families for their safety outside of the Borough, and housed families from other areas of the country in the Borough for the same reasons. He confirmed that with the introduction of Universal Credit, private sector landlords were becoming more reluctant to house tenants, and a similar risk aversion could be evidenced by Registered Social Landlords – both shortage of supply and the application of the Choice Based Lettings Scheme were factors which meant in many cases the people most in need could not access social housing. The strategy set out to address this matter. With the permission of the Chair, Councillor Donohue-Moncrieff addressed the meeting, noting with great regret her previous decision as a member of the Cabinet to place the land at Danes Dyke (identified for a women's refuge) on the open market. The Cabinet of which Councillor Donohue-Moncrieff was a member, subsequently revised this decision. The Chair welcomed Councillor Donohue-Moncrieff's honesty and looked forward to working with all political groups to deliver the women's refuge.

RESOLVED that the Cabinet:

- 1) Recommend to Council the adoption of the Homelessness and Rough Sleeping Strategy and Review 2019-23.
- 2) Approve recommendations within the strategy that have key financial implications. These are:
 - a) Approval for the use of £500K in capital funding (s106 monies) to support the development of temporary accommodation for homeless people (subject to further consent on each individual development that comes forward).
 - b) Enter into four year Grant Agreements with voluntary sector organisations to support the delivery of the strategy. These are:
 - CAB – £73,525 per annum
 - Rainbow Centre – £16,000 per annum
 - Foundation Housing/ Making Safe - £5,000 per annum

- 3) Give 'in principle' agreement for the use of land at Danes Dyke, Newby for the purpose of developing a refuge for victims of Domestic Violence (subject to further consent regarding the terms of any land sale and strategic support and revenue funding being available from NYCC).
- 4) Instruct officers to undertake a selection process to secure a Registered Provider to take forward the development of land at Danes Dyke for the purpose of developing a refuge. This process should look at the level of experience different providers have in developing such accommodation, financial capacity, deliverability and potential levels of receipt for the sale of the land. Outcomes from this process shall be reported back to Cabinet early 2020 and inform any final decision on the land sale.

Reasons

The Council has various statutory duties towards the homeless including development and implementation of a Homelessness Strategy and Review.

8. LOCAL SUPPORT FOR COUNCIL TAX SCHEME 2020/21

The Cabinet considered a report by the Director (NE) (Reference 19/169) in respect of the Local Support for Council Tax Scheme (LSCT) 2020/21. Members were reminded that the LSCT was about striking a balance between designing a fair and equitable scheme for the overall benefit of the Borough, residents and the local economy whilst achieving a balanced budget. No changes to the scheme were recommended for 2020/21; however, for the LSCT in 2021/22 it was proposed to re-establish a task group of Members to design a banded scheme which would better manage for the benefit of claimants the impact of Universal Credit.

RESOLVED that the Cabinet recommends to Council:

- i No change to the current LSCT scheme for 2020/21 which means the scheme will retain the following key elements:
 - a. Maximum liability of 87.5%
 - b. All other elements of the 2019/20 LSCT scheme are retained in the 2020/21 LSCT scheme which broadly mirrors current Housing Benefit legislation.
- ii Seeks nominations from Group Leaders to establish a cross party working group to consider potential alterations to the 2021/22 LSCT scheme.

Reasons

The Council has an obligation and duty to annually set a Local Support for Council Tax scheme in accordance with Schedule 1A Section 13A of the Local Government Finance Act 1992 (Council Tax Reduction Schemes).

The Council approved and implemented a one year LSCT scheme for 2019/20 on 5 November 2018 and has to agree and set a scheme for providing support for Council Tax in 2020/21 by March 2020.

The decision will form part of the overall budget-setting process and in designing a scheme due regard has been given to achieving a balanced budget whilst trying to achieve a fair and equitable scheme for the overall benefit of the Borough, its residents and effects on the local economy.

The request for a future working group is due to the implementation of Universal Credit (UC). Presently, the amount of LSCT awarded is determined by a means test, which compares the household income to a household needs allowance. Every time a customer has a change to their income it is necessary to recalculate the customer's LSCT award. As UC is responsive to minor changes in the customer's income, UC awards are often changed on a monthly basis. Therefore, under the existing Working Age LSCT scheme, UC customers who also receive LSCT will also have their LSCT claim amended on a monthly basis to reflect their latest UC award. This is confusing to residents whose monthly scheduled payments are frequently changing and causes difficulties in collecting the charge. The working group will be tasked with making future schemes easier for residents to understand whilst ensuring collection rates are not adversely affected.

9. FINANCIAL MONITORING REPORT 2019/20 - QUARTER 1

The Cabinet considered a report by the Director (NE) (Reference 19/171) which provided an update on the Council's financial position in relation to the revenue budget, grants, reserves and income collection for the period April to July 2019. The report also sought authority for the Leader in collaboration with other local authorities to lobby the Government to change the current legislation so that self-catering accommodation was taxed solely through the council tax system (rather than being eligible for treatment as a business rates premise). Members were advised that the report currently predicted a year end surplus of £60k which included £150k of one-off planning income from new large scale developments. Members' attention was also drawn to the opportunities and threats in relation to the year end position and the good news of North and West Yorkshire Business Rates Pool's funding contributions to the Council (of £165k). Correcting the report, the Accountancy Manager noted that in the Assessment section (5.1), the projected year end surplus should read £60k, not £45k. Asked what the financial impact would be for the Council of taxing self-catering accommodation solely through the council tax system, the Accountancy Manager advised that the Council had approximately 2,050 self-catering assessments on business rates which, assuming they were all assessed as Band A properties, would generate council tax income of £2.56m per year. The Borough Council would receive £330k of this. At present the majority of these businesses were claiming small business rates relief.

RESOLVED that the Cabinet:

- i) Note the report and in particular that:
 - Despite the setting of an extremely challenging budget a year end surplus of £60k is currently expected to be achieved;
 - The surplus includes £150k of one-off planning income from new (large scale) developments and, without this, the Council would be running at an in year deficit;

- The majority of income targets are being achieved but there continues to be a shortfall from Scarborough Indoor Market that requires addressing;
 - The North and West Yorkshire Business Rates Pool has agreed to provide funding to the Council of £165k in relation to costs incurred for the 2019 Tour de Yorkshire Cycle race and contributions to the York, North Yorkshire and East Riding LEP and Welcome to Yorkshire.
 - The capital programme continues to operate within the overall parameters set in terms of contingency levels;
- ii) Approve acceptance of the following grants:
- £17,010 from MHCLG to improve parks and green spaces across the Borough.
- iii) Delegate Authority to the Leader to lobby the Government to change the current legislation so that self-catering accommodation is taxed solely through the council tax system (rather than being eligible for treatment as a business rates premise).

Reasons

To provide information relating to the Council's financial performance for the 2019/20 year.

10. TREASURY MANAGEMENT OUT-TURN FOR 2018/19

The Cabinet considered a report by the Director (NE) (Reference 19/168) in respect of the Council's Treasury Management Out-turn for 2018/19. Members were reminded that the Treasury Strategy for the 2018/2019 financial year was approved by Full Council in March 2018. This strategy was based on the following expectations:

- A continuation of a low interest rate environment with the expectation that Bank Rate would rise to 0.75 % and then maybe one more increase by 2020.
- Emphasis for investments would be placed on security rather than pure financial return.
- The Council would continue to generate short term savings by maintaining an under-borrowed position.
- Longer term borrowing and rescheduling of debt would be taken if the rates proved favourable.

Members were advised that the actual out-turn saw Bank Rate rise to 0.75% in August 2018. There were no further movements principally due to the continued uncertainty around Brexit. If these uncertainties remained or a disorderly exit occurred then the next rate movement could be a reduction. The investment activity during the year conformed to the approved strategy with emphasis placed on security, then liquidity and finally return. Most of the investments to generate interest, rather than just the cashflow derived, were mainly in the 3 to 6 month period with strong rated institutions. This strategy helped the Council to outperform both the budgeted forecast and the benchmark for the year. None of the institutions had difficulty in repaying the

investments and interest. In respect of borrowing for the general capital programme the Council maintained an under-borrowed position with no new external borrowing being undertaken. Although there was assumed borrowing in the strategy, due to slippage on the capital schemes and drawing grants in advance of spend, there was no new borrowing. However the Council did take on new external borrowing to support the Commercial Property Investment Strategy. Finally, officers continually looked for opportunities to restructure existing borrowing, but no opportunities arose. Asked whether the Council could in the appropriate circumstances repay a long-term (40 year) loan early, the Asset and Risk Manager advised that this was possible under the PWLB scheme, when either a premium or a discount would apply depending on the prevailing rate at the time. However, the PWLB had in recent years discouraged this practice through reducing the repayment element of the formula, but current market volatility meant opportunities may still arise.

RESOLVED that the Cabinet receive the report and note the out-turn position of the Council's Treasury Management function for the 2018/2019 financial year.

Reasons

1. To comply with the CIPFA Code of Practice of Treasury Management in Local Authorities (the Code) by informing the relevant internal bodies of the Council's treasury management activities before 30 September following the end of the financial year that the report relates.
2. To keep Members informed of Treasury Management activities and performance.

11. PERFORMANCE MANAGEMENT FRAMEWORK - QUARTER 1 REPORT 2019/20

The Cabinet considered a report by the Director (LD) (Reference 19/175) in respect of the Council's performance for a rolling 12 month period to the end of the first quarter of 2019/20. The Portfolio Holder, Councillor Randerson commended an overall positive report, noting the increase in compliments and improved response times to complaints, whilst on the negative side noting the rise in levels of sickness absence and reduction in leisure centre visits. In reply to a query, the Performance and Admin Manager clarified that 95.9% of responses to stage 1 complaints were provided within 20 working days across the Council, up from 93.0% for the same period the previous year.

RESOLVED that the Cabinet note the contents of this report and in particular the good/satisfactory levels of performance being achieved by services at the current time in particular:

- i The good progress being made against the delivery of the Council's Priority Projects Plan
- ii The continuing improvement in response times to complaints; and
- iii The increase in compliments received by the Council in relation to the carrying out of its services.

Reasons

To provide information relating to Council performance for a rolling 12 month period to the end of the first quarter of 2019/20, including monitoring of the Priority Performance Plan, Performance Indicators, Critical Success Factors, FOIs and Complaints.

To ensure that the Council's Corporate Service and Business planning processes are effective.

In accordance with Government guidelines, details on the performance of the Council and its services must be made available through as many mechanisms as possible.

Chairman