

21 December 2016

CABINET – 9 JANUARY 2017

A meeting of Cabinet will be held at 5.30 pm on Monday 9 January 2017 in the Council Chamber, Town Hall, Rugby.

Adam Norburn
Executive Director

A G E N D A

PART 1 – PUBLIC BUSINESS

1. Minutes.

To confirm the minutes of the meeting held on 28 November 2016.

2. Apologies.

To receive apologies for absence from the meeting.

3. Declarations of Interest.

To receive declarations of –

(a) non-pecuniary interests as defined by the Council's Code of Conduct for Councillors;

(b) pecuniary interests as defined by the Council's Code of Conduct for Councillors; and

(c) notice under Section 106 Local Government Finance Act 1992 – non-payment of Community Charge or Council Tax.

Note: Members are reminded that they should declare the existence and nature of their interests at the commencement of the meeting (or as soon as the interest becomes apparent). If that interest is a prejudicial interest, the Member must withdraw from the room unless one of the exceptions applies.

Membership of Warwickshire County Council or any Parish Council is classed as a non-pecuniary interest under the Code of Conduct. A Member does not need to declare this interest unless the Member chooses to speak on a matter relating to their membership. If the Member does not wish to speak on the matter, the Member may still vote on the matter without making a declaration.

4. Question Time.

Notice of questions from the public should be delivered in writing, by fax or e-mail to the Executive Director at least three clear working days prior to the meeting (no later than Tuesday 3 January 2017).

Growth and Investment Portfolio

Nothing to report to this meeting.

Corporate Resources Portfolio

5. Draft General Fund Revenue and Capital Budget 2017/18 and Medium Term Financial Plan 2017-20.

Communities and Homes Portfolio

6. Extension of Eastern European Link-worker post.

Environment and Public Realm Portfolio

Nothing to report to this meeting.

The following item contains reports which are to be considered en bloc subject to any Portfolio Holder requesting discussion of an individual report

7. Council Tax Base 2017/18.
8. Risk Management Progress Report.
9. Rent in Advance.
10. Urgent Decision under Delegated Powers – Reinstatement of the Green Bin Service.

PART 2 – EXEMPT INFORMATION

Growth and Investment Portfolio

Nothing to report to this meeting.

Corporate Resources Portfolio

1. Election of Mayor and Appointment of Deputy Mayor 2017/18.

Communities and Homes Portfolio

Nothing to report to this meeting.

Environment and Public Realm Portfolio

Nothing to report to this meeting.

The following item contains reports which are to be considered en bloc subject to any Portfolio Holder requesting discussion of an individual report

2. Exemptions to Contracts Standing Orders to retain existing HR/Payroll software.

Any additional papers for this meeting can be accessed via the website.

The Reports of Officers (Ref. CAB 2016/17 – 7) are attached.

Membership of Cabinet:

Councillors Stokes (Chairman), Leigh Hunt, Mrs Parker, Ms Robbins and Mrs Timms.

CALL- IN PROCEDURES

Publication of the decisions made at this meeting will normally be within three working days of the decision. Each decision will come into force at the expiry of five working days after its publication. This does not apply to decisions made to take immediate effect. Call-in procedures are set out in detail in Standing Order 15 of Part 3c of the Constitution.

If you have any general queries with regard to this agenda please contact Claire Waleczek, Senior Democratic Services Officer (01788 533524 or e-mail claire.waleczek@rugby.gov.uk). Any specific queries concerning reports should be directed to the listed contact officer.

If you wish to attend the meeting and have any special requirements for access please contact the Democratic Services Officer named above.

AGENDA MANAGEMENT SHEET

<i>Name of Meeting</i>	Cabinet
<i>Date of Meeting</i>	9 th January 2017
<i>Report Title</i>	Draft General Fund Revenue & Capital Budget 2017/18 and Medium Term Financial Plan 2017-20
<i>Portfolio</i>	All Portfolios
<i>Ward Relevance</i>	All Wards
<i>Prior Consultation</i>	Cabinet 28 th November 2016 and 31 st October 2016
<i>Contact Officer</i>	Mannie Ketley – Head of Corporate Resources and Chief Financial Officer Ext 3416
<i>Report Subject to Call-in</i>	Yes
<i>Report En-Bloc</i>	No
<i>Forward Plan</i>	Yes
<i>Corporate Priorities</i>	This report relates to all of the Council's priorities.
<i>Financial Implications</i>	As detailed within the report.
<i>Risk Management Implications</i>	The Council has a statutory duty to set an annual General Fund Revenue budget that will enable it to determine the level of Council Tax.
<i>Environmental Implications</i>	There are no Environmental implications arising from this report.
<i>Legal Implications</i>	There are no Legal implications arising from this report.

***Equality & Diversity
Implications***

There are no Equality and Diversity implications arising from this report. It may be necessary later on in the budget process to carry out Equality Impact Assessments of the implications of any service changes.

Recommendation

- (1) The draft General Fund Revenue and Capital Budget position for 2017/18 be considered alongside the Council's 2017-20 Medium Term Financial Plan;
- (2) Cabinet continues to consider the key decisions detailed within the report and identifies alternative income/savings sources to replace any items that are not to be included within the 2017/18 revenue budgets; and
- (3) A detailed scheme by scheme review of the items in the Capital Programme be continued in order to rationalise the overall programme in terms of affordability and sustainability.

Reasons for Recommendation

This updated overview of the Council's General Fund revenue and capital budgets needs to be considered by Cabinet as part of the budget setting process and to ensure its affordability and contribution to the Council's ambition to achieve self-sufficiency by 2020.

Cabinet – 9th January 2017

Draft General Fund Revenue & Capital Budget 2017/18 and Medium Term Financial Plan 2017-20

Report of the Head of Corporate Resources and Chief Financial Officer

Recommendation

- (1) The draft General Fund Revenue and Capital Budget position for 2017/18 be considered alongside the Council's 2017-20 Medium Term Financial Plan;
- (2) Cabinet continues to considers the key decisions detailed within the report and identifies alternative income/savings sources to replace any items that are not to be included within the 2017/18 revenue budgets; and
- (3) A detailed scheme by scheme review of the items in the Capital Programme be continued in order to rationalise the overall programme in terms of affordability and sustainability.

1. Introduction

This is the third report from the Head of Corporate Resources in her capacity as the Council's Chief Financial Officer.

The first and second budget reports were presented to Cabinet on 31st October 2016 and 28th November 2016, and the purpose of this report is to present an updated draft General Fund revenue position (see section 4), a capital position (see section 5) for 2017/18 and onwards, plus an updated Medium Term Financial Plan (see section 6), since the report to Cabinet in November.

Cabinet will consider a further update on the draft revenue and capital General Fund budgets on 6th February 2017, prior to final budget setting and council tax determination at Full Council on 28th February 2017.

This report includes nine appendices;

- **Appendix 1** is a summary position for 2017/18 detailing the various changes made to the 2016/17 original budget.
- **Appendix 2** identifies by service the proposed growth items for 2017/18. This appendix also shows whether corresponding savings (Appendices 3 or 4) have been identified to offset the growth.
- **Appendix 3** identifies by service the proposed income increases (-) or shortfalls (+) for 2017/18.

- **Appendix 4** identifies by service proposed savings items for 2017/18. The appendix also shows where savings have been used to offset proposed growth (Appendix 2) and details are provided.
- **Appendix 5** identifies the draft capital programme for 2017/18 onwards based on scheme proposals from budget officers, along with proposed funding splits, revenue implications, and a projection for capital receipts usage.
- **Appendix 6** shows the detailed capital scheme proposal forms for 2017-20
- **Appendix 7** shows an initial Medium Term Financial Plan 2017-20.
- **Appendix 8** shows a matrix of the proposed fees and charges.
- **Appendix 9** presents a summary of the feedback from the review of Local Council Tax Support funding for parish councils.

2. Budget Context

2.1. Overview and Context

The 2017/18 draft budget remains in a balanced position, as presented within the budget reports to Cabinet in October and November. However, primarily due to significant changes to the New Homes Bonus (NHB) scheme announced within the 2017/18 Provisional Local Government Finance Settlement the Medium Term Financial Plan (MTPF) 2017-20 now presents budget shortfalls of £370,000 and £530,000 in 2018/19 and 2019/20 respectively.

It should be noted that these budget estimates continue to be underpinned by a number of assumptions and also key policy changes, which if not approved will require other savings to be identified. Salary savings, as a result of voluntary redundancies that previously made up part of the suite of key decisions, were approved at Council on 15th November 2016 and now form part of the draft budget for 2017/18. The remaining key decisions within this budget report, as per recommendation 2, continue to be set out for Cabinet's consideration at section 4.1.

Beyond these key decisions there have been some other changes to the budget since November, primarily relating to capital financing implications, the council taxbase and some service expenditure assumptions. The remaining content in this section of the report sets out these changes and other items of note since the November report.

2.2. Autumn Statement and Finance Settlement

The Chancellor of the Exchequer, Rt Hon Philip Hammond MP, presented his first Autumn Statement to Parliament on 23rd November 2016, which was notable in its lack of focus on local government finances.

Detailed funding announcements for local government were set out within the 2017/18 Local Government Finance Settlement that was announced on Thursday 15th December. The most significant announcement within the settlement for Rugby Borough Council was the fundamental change to the NHB scheme, which is explained in detail within section 2.3 below.

Other announcements of note included the confirmation that as expected council tax increases for district councils will be limited to £5 per average Band D, above which approval from the local electorate will be required via a referendum, in addition to confirmation of the Council's Revenue Support Grant allocations as previously set out within the 2016-20 four-year settlement. These two announcements have had no impact on the draft budgets, as Revenue Support Grant remains as previously budgeted and a recommended £5 increase in the average Band D council tax had also been factored in to previous budget reports.

2.3. New Homes Bonus

As stated above, significant changes to NHB were announced within the 2017/18 Local Government Finance Settlement. The Government proposed changes to NHB in a consultation paper issued in December 2015, with the intention of reducing the amount that is paid out through the NHB, with the savings used to fund adult social care.

The outcome of the consultation was finally announced within the settlement and the Government will implement its preferred option to reduce payments from 6 years to 5 years in 2017-18 and then to 4 years in 2018/19. More unexpectedly, a "deadweight" baseline factor will also be introduced, so that no NHB payments will be made to a local authority for housing growth equating to 0.4% taxbase.

Annual housing growth in the region of 450-600 homes (in band D terms) has typically been delivered in Rugby Borough in recent years, which is equivalent to annual increases in the region of 1.3% to 1.7%. The introduction of a "deadweight" factor means that NHB will not be received for approximately the first 150 homes (0.4% of the taxbase) that are delivered each year. In approximate terms, this is around **£200,000** lost cumulatively each year.

From a budgetary perspective, payments had prudently been forecast to reduce straight from 6 to 4 years in 2017/18, so the allocation of the 5th year payment in 2017/18 is a welcome announcement that will provide approximately **£150,000** of additional funding compared to the estimates in previous budget reports.

However, the deadweight factor was largely unexpected and therefore was not included in the Council's budget modelling. As a result of the introduction of this baseline, allocations for 2018/19 and 2019/20 are approximately **£400,000** and **£600,000** lower respectively compared to previous estimates.

It is considered prudent to transfer this one-off amount of **£150,000** to the budget stability reserve in 2017/18, given the shortfall of NHB funding projected in future years. This allocation could be called upon to bridge timing delays on savings/income generation proposals.

Furthermore, from 2018/19 the Government will withhold payments from authorities not supporting housing growth; for instances where an authority does not have a local plan in place or houses have been built after an appeal. It is uncertain at the moment whether payments will be withheld completely or reduced if a local plan is not in place but, with the Council still in receipt of approximately £2m of NHB per year in the long-term, it will become financially imperative that the local plan is successfully implemented by 2018/19.

2.4. Business Rates

The business rate forecasts continue to be produced in-line with the methodology set out within the local government finance settlement 2017/18 technical consultation, as reported to Council in November. Some change to the methodology is expected following receipt of informal feedback on the Department's consultations, however the financial impact of this to the Council's finances should be relatively marginal. Once the methodology has been confirmed within the settlement the Council's forecasts will be updated, but at the time of writing the estimates for this income stream for 2017/18 remain unchanged from the November report.

However, the Council's estimate for retained income in 2016/17 has varied following an update to the projected surplus / deficit on the collection fund calculation. Consequently, the estimated surplus on the collection fund has reduced from **£406,000** as presented in November to a current estimate of **£370,000**, which consists of a forecast £90,000 surplus on council tax and a £280,000 surplus on business rates. It is proposed that the £280,000 business rates surplus is transferred to the Business Rate Equalisation reserve and that the £90,000 council tax surplus is transferred to the Budget Stability reserve, as both of these are likely to be called upon in future years to offset potential deficits in the collection fund.

In addition, further changes will continue to be made throughout the budget setting process as estimates for growth in the business rates base are refined.

2.5. Pension Fund Revaluation

The 2016 Local Government Pension revaluation is nearing its conclusion and the draft results show that Rugby's deficit position has fallen in cash terms and the funding level had increased from 78% to 82%. This is mainly due to improved investment returns on the fund assets, partly offset by some changes in the financial assumptions. Over the revaluation period pension and pay growth has been lower than anticipated, whilst in terms of "member experience" there has been fewer ill health, early leavers and deaths.

Following a change in statutory requirements and methodology applied by the pension fund's actuary for the 2016 valuation, the draft employer contribution rate for 2017/18 has increased to 19.2% compared to 15.0% in 2016/17, however this is largely offset by a reduction of **£325,000**, from £540,000 in 2016/17 to £215,000 in 2017/18, in the annual pension contribution that relates to past service deficit repair.

The overall impact of this change, compared to November estimates, is a **£60,000** increase in budget requirement.

2.6. Voluntary Redundancies

As mentioned earlier in this report, on the 15th November 2016 Council approved a number of voluntary redundancies that were presented for consideration. As a result of this approval these financial implications have been built into the draft budgets for 2017/18 and are no longer set out as key decisions or policy changes, as presented in section 4.1.

The draft 2017-20 MTFP contains estimated savings from future potential voluntary redundancy proposals that will be put forward to Council to consider in due course.

2.7. Other Budgetary Changes

Since the November report the council taxbase for 2017/18 has been finalised, as reported to Cabinet elsewhere on this meeting's agenda. In comparison to the estimated taxbase included in prior 2017/18 budget reports, the final tax base is approximately 180 Band D equivalent properties higher than previously estimated. This has resulted in approximately a further **£32,000** of council tax income being included within this budget report compared to the November report

The Council's estimated net cost of borrowing has reduced by **£35,000** compared to the November report. In November it was widely expected that the bank of England would reduce interest rates, however this reduction did not materialise and as a result the Council now expects to achieve a greater return on investment. As the Council's borrowing is primarily undertaken on a fixed term basis the interest payments on outstanding debt is largely unaffectedly.

The Council has also seen a reduction of **£85,000** in its Minimum Revenue position for 2017/18. MRP is paid in the year following the completion of a capital project and this saving has arisen following 2016/17 schemes being slipped forward into 2017/18 as reported to and approved by Cabinet in the November's Quarter 2 2016/17 Finance and Performance monitoring report. However, it should be noted that this is a one-off saving only as the MRP is simply deferred to later years in the MTFP in-line with the revised completion dates of the schemes.

There have also been some minor alterations to service budgets, such as the reflection of a **£25,000** financial gain for the General Fund following the transfer of the rent collection function to the Revenues team on behalf of the HRA.

2.8. Budget Summary

As a result of all of the changes set out earlier in the report, including recommended contributions to reserves, the estimated position is approximately **£70,000** better than previously reported. Whilst Members can choose how to utilise this funding, it should be noted that it is only a one-off amount only and therefore it is considered prudent to allocated it to General Fund balances, given the shortfalls projected in future years.

This allocation, in addition to the £150,000 additional NHB funding proposed to be allocated to reserves, will assist with mitigating the risks and uncertainty relating to the on-going development of the local government finance system, including the implementation of 100% business rates retention and associated devolved responsibilities.

3. Council Tax Support Funding

On 31st October 2016 Cabinet gave approval to commence a review with parish councils to remove allocation of all council tax support funding in future years. Parish councils were written to on the 21st November to communicate the detail of the proposal, with a deadline for responses of 18th December 2016.

The options presented to the parish councils were as follows:

1. Remove the funding in its entirety in one year, in 2017/18;
2. Continue to reduce the funding in line with the Government reductions in Revenue Support Grants to Rugby Borough Council;
3. As above in 2017/18 only, with no further funding in 2018/19 or future years.

A summary of their responses are presented at **Appendix 9**, with the general view being that parish councils would prefer Option 2 for council tax support to continue to reduce in-line with the Council's Revenue Support Grant, with funding allocations effectively ending in 2019/20.

Following receipt of feedback from parish councils it is proposed that allocations are made in-line with Option 2, resulting in an approximate net cost of **£12,000** in 2017/18, reflecting a £14,000 reduction from the 2016/17 allocation of £26,000. A further allocation of approximately £3,500 will also be made in 2017/18. This proposal is reflected in the updated draft budget as shown in section 4 below.

This approach would reflect a continuation of the Council's existing policy for the determination of council tax support funding payable to parish councils.

Members may consider to implement an alternative level of, or distribution of, council tax support funding to parish councils within their budget setting resolutions and amendments at council tax setting on the 22nd February 2017.

4. Draft Portfolio and Corporate Revenue Budgets

The following table shows an overview of the draft revenue budget for 2017/18.

Draft General Fund Revenue Summary 2017/18	2016/17 Revised Budget £	Budget Adjustments £	Salaries and Inflation £	2017/18 Draft Budget £
EXPENDITURE:				
Committed Expenditure:				
Growth and Investment	3,179,430	+257,740	+18,900	3,456,070
Corporate Resources	1,999,190	-53,100	-37,950	1,908,140
Environment and Public Realm	7,386,560	+200,820	+13,130	7,600,510
Communities and Homes	1,094,970	+6,830	-53,020	1,048,780
Executive Director	1,800,380	+101,330	-57,080	1,844,630
Key Decisions		-738,000	0	-738,000
Total Portfolio & Corporate Budgets	15,460,530	-224,380	-116,020	15,120,130
Less Capital Charge Adjustment	-2,086,740	-338,510	0	-2,425,250
Less Corporate Savings Target	-200,000	0	0	-200,000
Less Pension (IAS 19) Adjustment	-315,880	+105,310	0	-210,570
Net Portfolio & Corporate Budgets	12,857,910	-457,580	-116,020	12,284,310
Net Cost of Borrowing	670,110	-42,500	0	627,610
Minimum Revenue Provision (MRP)	1,191,580	+283,970	0	1,475,550
Revenue Contribution to Capital Outlay	87,500	0	0	87,500
Contribution to Balances	0	+69,010	0	69,010
Contribution to Budget Stability Reserve	0	+240,000	0	240,000
Contribution to Business Rates Equal. Reserve	0	+280,000	0	280,000
Parish Council Precepts	715,180	+20,000	0	735,180
TOTAL EXPENDITURE	15,522,280	+392,900	-116,020	15,799,160
INCOME:				
Revenue Support Grant	-1,098,450	+587,520	0	-510,930
Retained Business Rates (Net of Tariff)	-4,225,800	-649,200	0	-4,875,000
New Homes Bonus Funding	-3,221,280	+549,740	0	-2,671,540
Government Grants	-426,810	+42,680	0	-384,130
Council Tax	-6,746,100	-252,940	0	-6,999,040
Collection Fund Surplus(-)/Deficit	1,364,890	-1,734,410	0	-369,520
Contribution from Reserves	-1,123,550	+1,123,550	0	0
TOTAL INCOME	-15,477,100	-333,060	0	-15,810,160
VARIANCE ON 2016/17 BUDGET (see Appendix 1)	45,180	+59,840	-116,020	-11,000
2017/18 Estimated Revenue Implications of the Draft Capital Programme (see Appendix 5)	0	+11,000	0	11,000
OVERALL TOTAL VARIANCE ON 2016/17 BUDGET	45,180	70,840	-116,020	0

4.1. Key Decisions

The remaining policy changes that still need Member consideration are set out below.

Key Decision / Policy Change	£'000
Assumed savings from the review and potential reconfiguration of the waste and recycling service as reported to Cabinet on 3 rd October.	-400
Estimated income from charging for entry to the Hall of Fame to non-borough residents *	-250
Additional council tax raised by levying a £5 increase in the Band D compared to a 2% increase	-53
Increase in council tax from changes in policy on empty properties	-35
Total	-738

*As per the Council report on 19th May, a conservative level of visitors based on World Rugby's and Mather & Co.'s suggestions has been assumed and that entry for residents of the Borough will be free. Once the attraction opens actual visitor numbers will be used to review the assumptions that have been made at this stage, however the risk of visitor numbers being lower has been factored into the General Fund Balances risk analysis, which would allow sufficient time to review alternative promotion strategies amongst other things.

The following content in this section sets out some of the other significant items that are reflected in the 2017/18 draft budget.

4.2. Fees and Charges Review

The second stage of the Fees and Charges Review is nearing completion. The review has been undertaken by Financial Services in conjunction with Corporate Assurance and Improvement and has involved an in-depth look into the rationale behind the methods adopted by Budget Officers to set their Fees and Charges. Particular consideration has been given to those service areas that have discretion in the setting of their charges to ensure that costs are recovered, whilst also making sure that the fees charged do not rise to a level which negatively impacts on customers of the borough using the service.

As a result of the meetings, managers have agreed to complete further research and potentially amend the level of charges for their services. A matrix presenting the categorisation of fees and charges for 2017/18 is set out at Appendix 8. It should be noted there have been no proposed movements between categories from 2016/17 to 2017/18.

4.3. Pay Review

The Council has also reviewed pay across the organisation, following changes in market conditions and experiencing some difficulty in recruiting to key posts, to ensure it has a workforce capable of delivering the organisation's corporate priorities. Alongside this a review of terms and conditions has also been undertaken and is currently being consulted on with union representatives. The outcome of this will be presented to Members for approval and financial implications will be built into February report.

5. Draft Portfolio Capital Budgets

Appendix 5 shows the draft position for the 2017/18 capital programme and onwards. As can be seen, the total capital programme proposed for 2017/18 (including agreed carry-forward budgets from previous years) is **£3.6m**. Excluding carry-forward requests, this leaves a net **£1.9m** of expenditure to be financed in 2017/18.

The additional revenue financing implications of this draft programme for 2017/18 to 2019/20 upon future years are as follows:

	2018/19 £'000	2019/20 £'000
Additional Minimum Revenue Provision (MRP)	180	119
Additional Interest Costs	49	35
Total	229	154
Cumulative Effect		383

In light of these revenue financing implications, it is important to give consideration to the scale of the Council's capital programme for future years and also to the re-introduction of General Fund revenue contributions towards the financing of capital schemes. **Therefore, it is recommended that the detailed examination of the capital schemes is continued in order to arrive at a capital programme which is affordable and sustainable.** To assist with this review, the detailed capital scheme appraisal proposal forms have been collated at Appendix 6.

The direct revenue implications of the running costs attached to this proposed capital programme are £11,000 for 2017/18 and have been included in the draft revenue budgets shown within this report.

For the 2017/18 draft General Fund revenue budget there is an approximate £250,000 increase in the MRP and net cost of borrowing, which largely results from the additional borrowing undertaken to finance the 2016/17 capital programme as approved by Council in February this year.

6. Medium Term Financial Plan 2017-2020

Appendix 7 shows a forecast position for the next 3 financial years, which has been updated to reflect that changes set-out earlier in the report. As explained at the beginning of this report, primarily due to changes in the NHB scheme, the MTFP no longer presents a balanced position across a three-year period to 2019/20, with budget shortfalls of approximately **£370,000** in 2018/19 and **£530,000** in 2019/20.

As with the draft 2017/18 budget the position across the MTFP 2017-20 continues to be underpinned by a number of key decisions that members will need to consider. Following the approval of the voluntary redundancies by Council in November, the estimated financial implications of these decisions total £0.7 million, £1.2 million and £1.3 million across the three successive years.

The impacts of these key decisions in the MTFP are;

- The financial implications of reconfiguring the waste service, with potential savings of **£800,000** by 2019/20.
- Indicative budgets and income projections for the Hall of Fame, and an assumed annual ticketing income surplus of **£250,000**.
- £5 increases in average band D council tax across the medium term, generating an additional **£160,000** by 2019/20 compared to three years of increases at 2%.

It is anticipated that continued growth in the business rates base will provide additional income to the Council, over and above the projections currently shown within the appended MTFP. These forecasts continue to be refined and will be developed further within the February budget report.

7. Conclusion

The revised draft general fund revenue budget continues to show a balanced position for 2017/18 however, mainly due to reforms to the NHB scheme, there are now budget shortfalls in the later years of the MTFP.

Therefore, it is recommended that increased contributions to General Fund balances and reserves are appropriated in 2017/18, as set out within this report, to allow appropriate reserves and balances to be built and sustained. Such appropriations will assist with mitigating the financial risks associated with the on-going development of the local government finance system.

In-line with this approach, it is therefore also recommended that Cabinet continues to consider the key decisions detailed within the report and identifies alternative income/savings sources to replace any items that are not to be included within the 2017/18 revenue budgets.

Name of Meeting: Cabinet

Date of Meeting: 9th January 2016

Subject Matter: Draft General Fund Revenue and Capital Budget 2017/18

Originating Department: Resources

LIST OF BACKGROUND PAPERS

Draft General Fund Revenue and Capital Budget 2017/18 – Cabinet 31st October 2016 & 28th November 2016

Draft General Fund Revenue Summary 2017/18	2016/17 Original Budget £	In Year Adjustments £	2016/17 Revised Budget £	Corporate Adjustments £	Total Inflation £	Salary Adjustments £	Proposed Growth Items (Appendix 2) £	Proposed Income Adjustments (Appendix 3) £	Savings (Appendix 4) £	2017/18 Draft Budget £
EXPENDITURE:										
Growth & Investment	3,059,770	+119,660	3,179,430	-123,510	0	+18,900	+365,000	+73,820	-57,570	3,456,070
Corporate Resources	2,033,370	-34,180	1,999,190	-34,140	0	-37,950	+30,000	+7,590	-56,550	1,908,140
Environment & Public Realm	7,463,520	-76,960	7,386,560	+196,830	+910	+12,220	+12,500	-2,510	-6,000	7,600,510
Communities & Homes	1,145,030	-50,060	1,094,970	-52,440	+3,020	-56,040	+186,890	-102,630	-24,990	1,048,780
Executive Director's Office	1,782,180	+18,200	1,800,380	+187,750	0	-57,080	0	+0	-86,420	1,844,630
Key Decisions								-53,000	-685,000	-738,000
PORTFOLIO EXPENDITURE	15,483,870	-23,340	15,460,530	174,490	3,930	-119,950	594,390	-76,730	-916,530	15,120,130
Less Capital Charge Adjustment	-2,126,560	+39,820	-2,086,740	-338,510	0	0	0	0	0	-2,425,250
Less Corporate Savings Target (including salary voids)	-200,000	0	-200,000	0	0	0	0	0	0	-200,000
Less Pension Adjustment	-344,580	+28,700	-315,880	+105,310	0		0	0	0	-210,570
NET PORTFOLIO EXPENDITURE	12,812,730	+45,180	12,857,910	-58,710	+3,930	-119,950	+594,390	-76,730	-916,530	12,284,310
Net Cost of Borrowing	670,110	0	670,110	-42,500	0	0	0	0	0	627,610
Minimum Revenue Provision (MRP)	1,191,580	0	1,191,580	+283,970	0	0	0	0	0	1,475,550
Revenue Contribution to Capital Outlay	87,500	0	87,500	0	0	0	0	0	0	87,500
Contribution to Balances	0	0	0	+69,010	0	0	0	0	0	69,010
Contribution to Budget Stability Reserve	0	0	0	+240,000	0	0	0	0	0	240,000
Contribution to Business Rate Equalisation Reserve	0	0	0	+280,000	0	0	0	0	0	280,000
TOTAL EXPENDITURE (before Parish Precepts)	14,761,920	+45,180	14,807,100	+771,770	+3,930	-119,950	+594,390	-76,730	-916,530	15,063,980
Parish Council Precepts and Council Tax Support	715,180	0	715,180	+20,000	0	0	0	0	0	735,180
TOTAL EXPENDITURE	15,477,100	+45,180	15,522,280	+791,770	+3,930	-119,950	+594,390	-76,730	-916,530	15,799,160
INCOME:										
Revenue Support Grant	-1,098,450	0	-1,098,450	+587,520	0	0	0	0	0	-510,930
Retained Business Rates (Net of Tariff)	-4,225,800	0	-4,225,800	-649,200	0	0	0	0	0	-4,875,000
New Homes Bonus Funding	-3,221,280	0	-3,221,280	+549,740	0	0	0	0	0	-2,671,540
Government Grants	-426,810	0	-426,810	+42,680	0	0	0	0	0	-384,130
Council Tax	-6,746,100	0	-6,746,100	-252,940	0	0	0	0	0	-6,999,040
Collection Fund Surplus(-)/Deficit	1,364,890	0	1,364,890	-1,734,410	0	0	0	0	0	-369,520
Contribution from Reserves & Balances	-1,123,550	0	-1,123,550	+1,123,550	0	0	0	0	0	0
TOTAL INCOME	-15,477,100	0	-15,477,100	-333,060	0	0	0	0	0	-15,810,160
VARIANCE ON 2016/17 BUDGET	0	+45,180	45,180	+458,710	+3,930	-119,950	+594,390	-76,730	-916,530	-11,000
2017/18 Estimated Revenue Implications of the Draft Capital Programme (see Appendix 5)	0	0	0	+11,000	0	0	0	0	0	11,000
OVERALL VARIANCE ON 2016/17 BUDGET	0	+45,180	45,180	+469,710	+3,930	-119,950	+594,390	-76,730	-916,530	0

Proposed Growth Items 2017/18

Portfolio/Service	Amount (£)	Justification:	Corresponding savings? Y / N / Partial (Y = Total growth offset)
Growth & Investment (G&I)			
Economic Development			
Community Infrastructure Levy	200,000	One year budget required to complete the Councils commitment for the Local Plan as outlined at Council in December 2015.	N
Business Development	15,000	A new budget to deliver a business support programme, which will include coaching and workshops within the borough.	
Town Centre Improvements			
Town Centre Improvements	150,000	Continuation on an annual basis for the re-assignment of the out of town retail business rates for the benefit of the town centre.	N
Sub Total (G&I)	365,000		
Corporate Resources (CR)			
General Financial Expenses			
Business Rate Forecasting	5,000	This amount is required for the Business Rate forecasting system, this will enhance the accuracy of the Council's medium term business rates forecasting. It will also provide a more efficient process for the Council and allow officers to focus on more value added activities.	
West Midlands Combined Authority	25,000	The increase reflects the costs of joining the West Midlands Combined Authority as reported at Special Council on 9th June 2016.	N
Sub Total (CR)	30,000		
Environment & Public Realm (E&PR)			
Regulatory Services			
Funeral Expenses	2,500	More demand for assistance with funerals that are imposed on the service for people without means. This is a statutory service.	N
Environmental Protection Fixed Penalty Notices	10,000	Service expansion due to additional work on environmental crime activities, to be offset with income from work taken on for Harborough District Council for fly tipping as agreed at Cabinet 27th June 2016 see appendix 3.	Y
Sub Total (E&PR)	12,500		
Communities & Homes (C&H)			
Customer and Information Services			
Annual Maintenance & Licencing of Meta Compliance Software	2,000	New system maintenance for the new internal Wider Area Network for the benefit of the whole council.	N
Annual Maintenance & Licencing of Refuse Vehicle Route Optimiser Software	36,000	New WebAspex Routemaster Optimiser Software Maintenance, first year revenue maintenance.	Y
Annual Maintenance & Licencing of SportsBooker Room Booking System and Increased EPOS Till Maintenance	2,910	New Booking System to replace the existing TopLevel system. This system will be used for internal room bookings, holiday activity sessions and The Hall of Fame and will be fully funded with savings identified in appendix 4	Y
Annual Maintenance for new HRA Lifeline System	9,360	New Annual maintenance contract agreed, due to new Lifeline Telecare system upgrade in the HRA Control Centre. The annual maintenance was previously paid from HRA budgets, but will now be maintained by RBC Central ITC Services and charged back to the HRA via internal recharges	Y
Housing Options Team			
Rent B&B Temp Accommodation	25,000	Bed & Breakfast costs are expected to increase, due to increased demand on the service, offset with increased Housing Benefit income see appendix 3.	Y
Private Sector Leasing Scheme	31,500	Expansion of the Private Sector Leasing service will result in additional costs. There will be corresponding income to offset this cost see appendix 3.	Y
Payments to Deepmore Road Hostel	3,070	Increased charges to reflect additional payments to HRA for the use of Deepmore Road Hostel for Homeless accommodation. Corresponding income shown on appendix 3.	Y
Housing Strategy & Enabling			
Eastern European Link Worker	22,350	Annual cost to extend the Eastern European Link Worker post for 2 years. Savings through the cessation of various schemes will help fund this cost (see appendix 4)	P
HEART Shared Service - Home Environment Assessment Response Team			
Employee & General Running Expenses	54,700	The New HEART Shared Service Scheme is a joint venture with all of the Warwickshire District/Borough Councils and Warwickshire Council Council. The scheme will facilitate Home adaptations and Improvements to enable the Elderly and Disabled to remain in their existing homes. The scheme expenditure is fully offset with income originating from grant award by Central Government which will be centrally pooled and distributed back to all members of the shared scheme to fund allocated expenses. See appendix 3	Y
Sub Total (C&H)	186,890		
OVERALL TOTALS	594,390		
Summary Proposed Growth 2016/17			
Total increase where savings or income offset	172,540		
Total increase without savings or income offset	421,850		
Overall Total	594,390		

Proposed Income Adjustments 2017/18

Portfolio/Service	Amount (£) + = Reduction - = Increase	Justification:
Growth & Investment (G&I)		
Art Gallery and Museum		
Arts Council	+8,430	The funding for this scheme has now ended, therefore corresponding income and salary expenditure budgets have been removed.
Queen's Diamond Jubilee Centre		
Contract Payment	-34,490	Increase in the profit share for the leisure centre, as per the management contract (CPI will be added at a later date)
Sports and Recreation		
Street Sports	+23,480	The funding for this scheme has now ended, therefore corresponding income and salary expenditure budgets have been removed (see appendix 4)
Family Lifestyles	+76,400	Reduction in income following the expected cessation of the scheme in July 2017, therefore corresponding operating expenditure and salary budgets of £58,750 have been removed (see appendix 2)
Sub Total (G&I)	73,820	
Corporate Resources (CR)		
Corporate Property Administration		
Contribution to Running Expenses	+10,490	As the councils utility costs have fallen, the recoverable income budget has been reduced to reflect the amount chargeable to Warwickshire County Council for their share of costs at the Library
Corporate Property Management		
Property Rental	-2,900	The increased income reflects revised leasing charges for corporate land and properties
Sub Total (CR)	7,590	
Environment & Public Realm (E&PR)		
Crime and Disorder		
Eastern European Project Work	+5,340	Cessation of Grant Funding for this scheme.
Parks, Recreation Grounds & Open Spaces		
Football Pitches Income	+2,150	Reduction of the income budget from hire of sports pitches based on recent levels of income received.
Regulatory Services		
Environmental Protection	-10,000	Additional work fully reimbursed from Harborough District Council for investigative work being carried out for Fly Tipping (see appendix 2)
Sub Total (E&PR)	-2,510	
Communities & Homes (C&H)		
Housing Options Team		
Private Sector Leasing Scheme HB Income	-35,100	Private Sector Leasing income from Housing Benefit (see appendix 2)
Reimbursements for Bed & Breakfast	-12,000	Increased income expected from Housing Benefits to offset the increase in temporary accommodation costs (see appendix 2)
Lease Income from Deepmore Road Hostel	-3,070	Additional income from the new contractor managing Deepmore Road Hostel (see appendix 2)
HEART Shared Service - Home Environment Assessment Response Team		
HEART Shared Service External Contract Income	-39,700	RBC's budgeted allocation of grant income from centrally pooled HEART shared service grant to offset expenditure of the scheme (See appendix 2)
Contribution from HEART Shared Service Capital Scheme	-15,000	A grant contribution to offset the expenditure of the scheme (See appendix 2)
House Purchase and Improvement Loans		
Insurance and Interest on advances	+2,240	The change reflects the amounts of interest and chargeable interest on loans outstanding
Sub Total (C&H)	-102,630	
OVERALL TOTALS	-23,730	
Summary Proposed Income Adjustment 2016/17		
Total reduction in income	+126,380	
Total increase in income	-97,560	
Net Change To Income	28,820	

Proposed Savings 2017/18

Portfolio/Service	Amount (£)	How can these be achieved?	Adverse impact on service delivery? Y/N
Growth & Investment (G&I)			
Art Gallery and Museum			
Arts Council Scheme	-8,430	This funding was used to enhance rooms at the Art Gallery and Museum with installation of spot lights, projectors and staff training. This was one off funding for this scheme and has now ended, therefore corresponding income and salary expenditure budgets have been removed (see appendix 3)	N
Sports and Recreation			
Street Sports	-23,480	This scheme provided informal sports activities for 14 to 25 year olds. The funding for this scheme has now ended, therefore corresponding income and salary expenditure budgets have been removed (see appendix 3)	Y
Family Lifestyles	-17,650	The funding for this scheme is expected to end in July 2017, therefore corresponding operating expenditure and salary budgets of £58,750 have been removed (see appendix 3)	Y
Town Centre CCTV and Management			
External Contractor	-8,010	Saving on external contractor providing CCTV following cabinet report.	N
Sub Total (G&I)	- 57,570		
Corporate Resources (CR)			
Corporate Property Administration			
Electricity and Gas	-13,620	Net reduction in usage and tariff costs	N
Resources			
Shared services - training	-17,610	Following a report to Cabinet on 31 October for the restructure of Human Resources the shared service with Nuneaton and Bedworth Borough Council will be terminated and the employee be transferred to a new post within the approved establishment.	N
Housing Benefits Payments			
Housing Benefits	-25,320	Reduction in net cost of Housing Benefit payments following revised forecasts for anticipated costs and subsidy for 2017/18	
Sub Total (CR)	- 56,550		
Environment & Public Realm (E&PR)			
Miscellaneous Highways Services			
Subcontractors- Great Central Way Bridges	-6,000	Efficiency savings for maintaining GCWB due to revised working arrangements with Warwickshire County Council	N
Sub Total (E&PR)	- 6,000		

Proposed Savings 2017/18			
Portfolio/Service	Amount (£)	How can these be achieved?	Adverse impact on service delivery? Y/N
Communities & Homes (C&H)			
Customer and Information Services			
Maintenance & Licencing of Figtree Software	-4,230	Insurance software contract has been cancelled, so budget is no longer required, as existing council software systems can be used	N
Maintenance & Licencing of TopLevel Room Booking Software	-4,710	TopLevel System to be replaced with new SportsBooker Room Booking system (see appendix 2)	N
Housing Strategy and Enabling			
Various Housing Strategy Schemes	-14,550	The following schemes have been identified for potential removal and these savings are proposed to be used to fund the Eastern European Worker (see Appendix 2): * £3,000 - Domestic Abuse Payments to WCC * £6,550 - Rural Enabling * £5,000 - Act On Energy Boiler Servicing Grant	Y
Woodside Park			
Council Tax charge for vacant plots	-1,500	The council has to meet the loss of vacant plots, however there has been no spend for three years due to higher than expected occupancy	N
Sub Total (C&H)	- 24,990		

Executive Director's Office (EDO)			
Electoral Services			
Borough Elections	-86,420	Removal of budget for 2017/18 only for Borough Elections due to it being a non-election year	N
Sub Total (EDO)	- 86,420		

OVERALL TOTALS	- 231,530
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Summary Proposed Savings Adjustment 2016/17	
Total savings with no adverse impact on service delivery	- 150,530
Total savings with an adverse impact on Service delivery	- 81,000
Overall Total	- 231,530

General Fund Capital Programme 2017/18 and Onwards

Head of Service	Score	Portfolio / Scheme Name	Capital						Revenue Implications					
			Gross Expenditure			External Contributions / Earmarked Reserves		Internal Resources		Running Costs		Estimated Interest costs		Minimum Revenue Provision
			2017/18	2018/19	2019/20	2017/18	Future Years	2017/18	Future Years	2017/18*	Full Year	2017/18*	Full Year	2018/19
			1	2	3	4	5	6	7	8	9	10	11	12
			£	£	£	£	£	£	£	£	£	£		
		Growth & Investment												
			0	0	0	0	0	0	0	0	0	0		
		Communities & Homes												
RC		ICT Refresh Programme - Desktop	65,040	42,040	42,040	0	0	65,040	84,080	0	0	810	1,630	13,010
RC		ICT Refresh Programme - Infrastructure	138,410	148,410	148,410	0	0	138,410	296,820	0	0	1,730	3,460	27,680
RC		CSW Superfast Broadband	80,000	0	0	0	0	80,000	0	0	0	1,000	2,000	4,000
RC		Disabled Facilities Grants ²	492,920	492,920	492,920	492,920	985,840	0	0	0	0	0	0	0
			776,370	683,370	683,370	492,920	985,840	283,450	380,900	0	0	3,540	7,090	44,690
		Environment & Public Realm												
SL		Vehicle Replacement	1,101,170	434,000	434,000	0	0	1,101,170	868,000	0	0	13,760	27,530	157,310
SL		Open Spaces Refurbishments - Whitehall Recreation Ground	489,130	0	0	310,470	0	178,660	0	0	0	2,230	4,470	11,910
SL		Open Spaces Refurbishments - Safety Improvements	61,520	161,520	161,520	0	100,000	61,520	223,040	3,000	6,000	770	1,540	4,100
SL		Open Spaces Refurbishments - Street Furniture	49,380	49,380	49,380	0	0	49,380	98,760	0	0	620	1,230	3,290
SL		Cemetery Infrastructure Work	10,000	10,000	10,000	0	0	10,000	20,000	0	0	130	250	500
SL		Great Central Way Bridge Repairs	164,130	164,130	164,130	0	0	164,130	328,260	8,000	16,000	2,050	4,100	3,280
SL		Purchase of Waste Bins ¹	87,500	87,500	87,500	87,500	175,000	0	0	0	0	0	0	0
			1,962,830	906,530	906,530	397,970	275,000	1,564,860	1,538,060	11,000	22,000	19,560	39,120	180,390
		Corporate Resources												
MK		Corporate Property Enhancement	100,000	100,000	100,000	0	0	100,000	200,000	0	0	1,250	2,500	5,000
			100,000	100,000	100,000	0	0	100,000	200,000	0	0	1,250	2,500	5,000
		Total Draft GF Capital Programme	2,839,200	1,689,900	1,689,900	890,890	1,260,840	1,948,310	2,118,960	11,000	22,000	24,350	48,710	230,080

¹ To be financed via S106 developer contributions / direct revenue contributions.

² From 2015/16, Disabled Facilities Grant allocation was amalgamated into the Better Care Fund (BCF) to be provided by the Department of Health. Plans for the use of the fund must be developed by Clinical Commissioning Groups (CCGs) and local authorities and signed off by the local Health and Wellbeing Board. The indicative grant levels for 2017/18 onwards are based on the 2016/17 award and may be subject to revision. From October 2016, the management of the Council's DFG assessments and allocations will be undertaken by the HEART shared services organisation.

* Half year is included

Carry Forward from Previous Years

Head of Service	Note	Portfolio / Scheme Name	Capital								
			Gross Expenditure			External Contributions		Internal Resources			
			2017/18	2018/19	2019/20	2017/18	Future Years	2017/18	Future Years		
			1	2	3	4	5	6	7		
	£	£	£	£	£	£	£				
		Growth & Investment									
RC		Communities & Homes	0	0	0	0	0	0	0	0	0
SL		Environment & Public Realm									
		Vehicle Replacement	251,960	0	0	0	0	251,960			
		Rainsbrook Cemetery Preparation	204,410	0	0	0	0	204,410			
			456,370	0	0	0	0	456,370		0	
MK		Corporate Resources									
		Carbon Management Plan	347,000	0	0	0	0	347,000			
			347,000	0	0	0	0	347,000		0	
		Total Carry Forward Proposals	803,370	0	0	0	0	803,370		0	

Overall Total	Capital						Revenue Implications					
	Gross Expenditure			External Contributions		Internal Resources		Running Costs		Estimated Interest costs		Minimum Revenue Provision
	2017/18	2018/19	2019/20	2017/18	Future Years	2017/18	Future Years	2017/18*	Full Year	2017/18*	Full Year	
	3,642,570	1,689,900	1,689,900	890,890	1,260,840	2,751,680	2,118,960	11,000	22,000	24,350	48,710	3,280

General Fund capital receipts projection to end of 2019/20 (utilising capital receipts for short-life assets)

	2016/17	2017/18	2018/19	2019/20
	£	£	£	£
Balance brought forward	2,101,660	1,972,170	1,972,170	1,972,170
Add assumed in year receipts				
Less financing of capital expenditure	-129,490			
Less financing short-life assets				
Balance carried forward	1,972,170	1,972,170	1,972,170	1,972,170

Portfolio	Communities & Homes	Communities & Homes	Communities & Homes	Communities & Homes
Capital Scheme	ICT Refresh Programme - Desktop	ICT Refresh Programme - Infrastructure	CSW Superfast Broadband	Disabled Facilities Grants
Gross Budget Requirement 2017/18 - 2019/20	£149,120	£435,230	£80,000	£1,478,760
External Funding	£0	£0	£0	£1,478,760
RBC Funding 2017/18 - 2019/20	£149,120	£435,230	£80,000	£0
Budget Officer	Raj Chand	Raj Chand	Raj Chand	Raj Chand
Strategic Case: Outline relevant national and local policies and strategies	The IT Desktop provision is made up of the following components: Client devices, such as Laptops, PCs and Terminals; Server services that directly relate to desktop provisioning. The Council has adopted a rolling refresh programme that spreads the cost and effort of updating the desktop across all financial years in order that the systems remain secure and fit for purpose. Drivers for updating the desktop provision are: To ensure that the authority is running on fit for purpose equipment; to replace aging equipment before it fails and impacts service delivery; and, in line with PSN requirements and security best-practice, devices must be under manufacturer support and they must be patched and/or upgraded to the latest software version. If the authority is retain PSN Code of Connection compliance that IT equipment must be fully supported and updated. Failing to comply would not only mean we are the only authority not to be connected to the PSN but it would leave us open to security breaches and the associated fines that they would incur.	The IT infrastructure provision is made up of the following components: Physical and Virtual Servers; Storage Area Networks; Network Switches and Routers; and Firewalls. The Council has adopted a rolling refresh programme that spreads the cost and effort of updating the infrastructure across all financial years in order that the systems remain secure and fit for purpose. Drivers for updating the infrastructure are: To ensure that the authority is running on fit for purpose equipment; To replace aging equipment before it fails and impacts service delivery; and in line with PSN Requirements and security best-practice, devices must be under manufacturer support and they must be patched and/or upgraded to the latest software version. If the authority is retain PSN Code of Connection compliance there are no direct alternatives that are financially viable. As part of an ongoing review of Business Continuity, cloud service providers such as Microsoft Azure have been reviewed however they are prohibitively expensive to run full time for all services and they are only suitable for short term disaster recovery use.	Council agreed to match funding of £240,000 in October 2014 to support Broadband UK Phase 2 as part of the government strategy to extend superfast broadband to 95% of UK properties by 2017. 2017/18 is the final year of the delivery programme with £80,000 allocated as part of the funding timeline.	The provision of grants to provide adaptations to the homes of disabled people in the borough. This is a mandatory requirement made by the Amendment by the Regulatory Reform Orders 2002 and 2008 and the Housing Grants and Construction and Regeneration Act 1996. Recommendations for adaptations are made following a home visit by the Occupational Health Therapists with the scheme administered in the borough by HEART service from October 2016
Commercial Case: Outline the procurement arrangements that ensure supply side can deliver requirements on an efficient market basis	Procurement for works will follow the Council's established procedures within contract standing orders to include OJEU compliance where applicable.	Procurement for works will follow the Council's established procedures within contract standing orders to include OJEU compliance where applicable.	As outlined in Cabinet report October 2014	
Financial Case: Outline the capital and revenue costs / savings over the life span of the project	The Desktop Virtualisation project will release cost savings of around £5,000 over the traditional PC replacement programme and it will make management and patching of Windows Desktop Operating Systems easier and less time consuming, thus realising practical efficiencies and aiding PCN compliance. ICT desktop has an estimated asset life of five years and therefore minimum revenue provision for the scheme will be £13,010 per annum.	With each successive generation of hardware they become more energy efficient with reduced heat output. Such reductions will directly reduce running costs and support a future refresh of the Town Hall cooling systems to smaller more efficient units. ICT hardware has an estimated asset life of five years and therefore minimum revenue provision for the scheme will be £27,680 per annum.	As outlined in Cabinet report October 2014	Funding levels have been estimated based on the continuation of DFG grant levels in 2016/17 via the Better Care Fund, administered by Warwickshire County Council. Allocations for 2017/18 are not expected until February/March 2017 and estimates will be revised accordingly at this time in light of predicted demand.
Management Case: Outline the governance, plans, and resources that are in place for successful implementation.			As outlined in Cabinet report October 2014	From October 2016, service delivery has been managed by the HEART organisation, a joint service arrangement between Warwickshire County Council and district councils in Warwickshire. The joined up delivery mechanism, with direct working relationships between clinical and delivery partners aims to reduce the number of hand-offs between agencies and reduce the time between assessment and implementation of home adaptations.

Portfolio	Environment & Public Realm	Environment & Public Realm	Environment & Public Realm	Environment & Public Realm
Capital Scheme	Vehicle Replacements	Open Spaces Refurbishment - Whitehall Recreation Ground	Open Spaces Refurbishment - Safety Improvements	Open Spaces Refurbishment - Street Furniture
Gross Budget Requirement 2017/18 - 2019/20	£1,969,170	£489,130	£384,560	£148,140
External Funding	£0	£310,470	£100,000	£0
RBC Funding 2017/18 - 2019/20	£1,969,170	£178,660	£284,560	£148,140
Budget Officer	Sean Lawson	Sean Lawson	Sean Lawson	Sean Lawson
Strategic Case: Outline relevant national and local policies and strategies	The Vehicle Replacement scheme covers the provision of front line delivery services in procuring new vehicles for the Council's Works Service Unit (WSU) as existing fleet reaches the end of useful economic life. The scheme relates to Council priorities 4 & 5. Enable and sustain an environment in which our residents can take pride and which impresses our visitors. Enable the delivery of excellent VFM services in line with corporate plans. Acquisitions scheduled for 2017/18 include: 4 * refuse freighters ; JCB digger ; Street Sweeper ; and 10 * Vans (various)	Every site refurbishment is undertaken in partnership with the local community. This includes community associations, external funding partners, voluntary agencies and other statutory bodies. The sites have been identified within the Play Strategy and Open Space Strategy which the Council has adopted, along with information on the general condition survey of play equipment. Following the completion of the new Queens Diamond Jubilee Leisure Centre in 2012/13 there has been an increased demand for improved facilities on Whitehall Recreation Ground to reflect the modern facilities that the leisure centre now offers. The current facilities are in a poor condition and without investment would need to be removed altogether.	The Council is responsible for 41 play areas and 17 youth facilities along with nearly 300 hectares of green spaces. The most serious health and safety issues have been dealt with through a programme of capital refurbishments in the last few years, but in the current financial climate the council needs to focus on the essential health and safety works. This capital scheme will address sites with the most pressing health and safety issues, and where minimal investment will not extend the life of the capital asset, fully refurbish the play area. The Council has a duty to provide facilities which are safe to use and which comply with the laws governing access to disabled people. Failure to discharge this responsibility will leave the Council liable. The sites have been identified within the Play Strategy and Open Space Strategy which the Council has adopted, along with information on the general condition survey of play equipment.	This scheme provides for the long term permanent street furniture installations throughout Rugby and the surrounding areas. New benches are compliant with Disability Discrimination guidelines (seating height, arm rests etc.). New litter bins have a colour contrast to aid the visually impaired. Replacement street furniture, litter bins, and bus shelters are only considered where refurbishment will not prove economically viable.
Commercial Case: Outline the procurement arrangements that ensure supply side can deliver requirements on an efficient market basis	Procurement is undertaken in compliance with contract standing orders, utilising established framework agreements where applicable.	All procurement is undertaken in line with our own procurement rules and processes to ensure value for money.	All procurement is undertaken in line with our own procurement rules and processes to ensure value for money.	Procurement for works will follow the Council's established procedures within contract standing orders to include OJEU compliance where applicable.
Financial Case: Outline the capital and revenue costs / savings over the life span of the project	A funding appraisal is undertaken in conjunction with the Council's treasury and leasing advisors to ascertain the optimal source of financing in advance of vehicle acquisition. The appraisal measures the benefits of outright purchase cost, anticipated maintenance costs, residual value, and leasing contracts. Vehicles have an estimated asset life of seven years and therefore minimum revenue provision for the 2017/18 scheme will be £157,310 per annum.	Following an unsuccessful bid to the Heritage Lottery Fund in 2015/16 we do have an agreed action plan of improvements which will be tailored to suit the available budget and also help to identify any suitable external funding grants such as Landfill Tax. The scheme has an anticipated asset life of fifteen years and therefore minimum revenue provision will be £11,910 per annum.	The bid includes anticipated external funding of £100,000 utilising developer contributions (S106 agreements) Schemes have an anticipated asset life of fifteen years and therefore minimum revenue provision for the 2017/18 programme will be £4,100 per annum.	Schemes have an anticipated asset life of fifteen years and therefore minimum revenue provision for the 2017/18 programme will be £3,290 per annum.
Management Case: Outline the governance, plans, and resources that are in place for successful implementation.	The existing fleet is monitored to gauge useful economic lives, potential increased maintenance costs and market indications of pricing for replacement vehicles over a medium term horizon.	Each open space that is highlighted for improvement undergoes a phased approach which includes consultation in partnership with the local community, design and implementation.	Each open space that is highlighted for improvement undergoes a phased approach which includes consultation in partnership with the local community, design and implementation.	

Portfolio	Environment & Public Realm	Environment & Public Realm	Environment & Public Realm	Corporate Resources
Capital Scheme	Cemetery Infrastructure Work	Purchase of Waste Bins	Great Central Walk Bridges	Corporate Property Enhancements
Gross Budget Requirement 2017/18 - 2019/20/19	£30,000	£262,500	£492,390	£300,000
External Funding	£0	£262,500	£0	£0
RBC Funding 2017/18 - 2019/20	£30,000	£0	£492,390	£300,000
Budget Officer	Sean Lawson	Sean Lawson	Sean Lawson	Mannie Ketley
Strategic Case: Outline relevant national and local policies and strategies	To undertake essential infrastructure replacement including memorial safety in the Borough Council's cemeteries. The Council has a duty of care to all cemetery users in relation to the general condition of footpaths etc. that you would reasonably expect. The Ministry of Justice has also issued guidance to Local Authorities on how to deal with the issue of memorial safety, and we are currently producing our own policy statement.	The Council has a statutory responsibility for the provision of domestic waste collection within the Borough.	The Council has a statutory requirement to undertake structural inspections every six years and general inspections every two years of its Great Central Way Bridge assets. Work has been ongoing since 2009, and prior detailed inspections are showing major structural problems with several bridges on the route that need immediate / mid-term / long term repairs. The Council has a long term commitment for the upkeep of these bridges. As some of these bridges carry main highways into Rugby, the Council cannot risk the possibility of closing bridges due to poor maintenance. The Great Central Way Bridges were re-valued as at 31st March 2016 at £15.9m on the basis of re-instatement costs for insurance purposes.	Corporate Property Enhancements include works undertaken on the Council's non-housing assets consequent to legislative requirements (Fire Safety, Disability Discrimination Act, etc.) and to mitigate current and/or future maintenance requirements and asset devaluation. A refresh of the Council's Asset Management Strategy will occur in 2016/17 and inform options concerning non-housing asset future maintenance. Programmed works for the period include: • Structural works and water proofing at the John Barford Car Park (2017/18) • Roof enhancements at the Town Hall (2018/19)
Commercial Case: Outline the procurement arrangements that ensure supply side can deliver requirements on an efficient market basis	Procurement for works will follow the Council's established procedures within contract standing orders to include OJEU compliance where applicable.	Procurement for works will follow the Council's established procedures within contract standing orders to include OJEU compliance where applicable.	The Council will tender for structural works based on the independent reports prepared by invasive engineering surveys to be undertaken in late 2016. Procurement for works will follow the Council's established procedures within contract standing orders to include OJEU compliance where applicable.	Procurement for works will follow the Council's established procedures within contract standing orders to include OJEU compliance where applicable.
Financial Case: Outline the capital and revenue costs / savings over the life span of the project	Cemetery infrastructure works have an anticipated asset life of twenty years and therefore the minimum revenue provision for these works will be £500 per annum.	Purchase of waste bins for new housing developments will be funded via S106 agreements / developer contributions.	In advance of the 2016 survey results an estimated construction budget of £150,000 per annum has been requested for works based on historic data. Budget requirements will be revised in light of survey results and programme scheduling. Once structural works have been undertaken bridge lifespans are estimated at fifty years and therefore minimum revenue provision of £3,820 per annum.	Corporate Property Enhancement works have an anticipated asset life of twenty years and therefore the minimum revenue provision for these works will be £5,000 per annum.
Management Case: Outline the governance, plans, and resources that are in place for successful implementation.			The Council works in partnership with Warwickshire County Council as the highways authority to provide and maintain some of the bridges and will seek to work collaboratively to minimise public inconvenience and optimise value for money.	

MEDIUM TERM FINANCIAL PLAN: GENERAL FUND 2016-20

	2017/18 £ 000's	2018/19 £ 000's	2019/20 £ 000's
BASE BUDGET	15,477	16,543	16,382
PORTFOLIO EXPENDITURE			
Salaries - savings from senior management restructure	-200	0	0
Salaries - savings from other disestablished posts	-100	-60	0
Salaries - savings from voluntary redundancies	-220	0	0
Salaries - pay awards, pension and NI increases and other minor changes to the establishment	241	239	231
Other Anticipated service budget adjustments	480	27	-25
Inflation Provision on non pay budgets RPI/CPI as relevant	5	50	50
Sub total	15,683	16,799	16,638
CORPORATE ITEMS			
Change in net cost of borrowing	-43	18	-53
Change in contribution to Balances	69	-69	0
Contribution to Budget Stability Reserve	240	-240	0
Contribution to Budget Equalisation Reserve	280	-280	0
Change in Minimum Revenue Provision (MRP)	283	123	119
Change in Parish Council Precepts	20	20	20
Potential revenue implications from Capital Programme	11	11	0
Total	16,543	16,382	16,724

INCOME			
Revenue Support Grant	-511	-153	0
Retained Business Rates (50% local share)	-4,875	-4,952	-5,002
Government Grants	-384	-346	-312
Council Tax - from a 2% increase	-6,999	-7,246	-7,542
Collection Fund Surplus(-)/Deficit	-370	0	0
Contribution from Reserves to fund one-off expenditure	0	0	0
New Homes Bonus Funding	-2,666	-2,122	-1,993
TOTAL	-15,805	-14,819	-14,849
BUDGET VARIANCE	738	1,563	1,875

KEY DECISIONS			
Income from Charging for Hall of Fame Entry	-250	-250	-250
Waste Service Reconfiguration	-400	-700	-800
Voluntary Redundancy Savings	0	-100	-100
Additional Council Tax from a £5 increase in the Band D	-53	-106	-159
Increase in Council Tax from changes in policy on empty properties	-35	-35	-35
TOTAL	-738	-1,191	-1,344
BUDGET VARIANCE	0	372	531

COUNCIL TAX ANALYSIS			
Year on year £000's increase in Council Tax needs	221	247	296
Tax Base	35,401	35,959	36,749
Rugby Borough Council's own Band D Tax £	199.33	204.54	209.80
Year on year £'s increase in Band D	5.32	5.21	5.27
Year on year % increase in Band D	2.7%	2.6%	2.6%

Service	Activity	Statutory	Free	Nominal	Subsidised	Cost Recovery with Discounts	Cost Recovery
Communities & Homes							
Customer Support Services	Issuing of bus passes on behalf of WCC						X
The Handyman Service	Provision of handyman service to residents in the borough to carry out minor repairs and adaptations						X
Housing Options Team	Housing Associations are charged a fee for each tenant we pass to them from our housing waiting list.						X
Welfare Services	Provision of monitoring service for 'Lifeline' users						X
Corporate Resources							
General Financial Services	Surcharge applied per transaction when customer use their credit cards to pay for goods and services at the council						X
Legal Services	Legal Fees are charged for legal related court work, drafting agreements, consents licences, photocopying and legal officer time. The fees are charged to the public, developers and landowners.						X
Executive Director's Office							
Electoral Registration	Sale of the Electoral and marked registers. A fee is charged for confirmation letters issued regarding entries on the register.	X					
Environment & Public Realm							
Allotments	Allotment Rents & Water Charges - Charges are set locally				X		
Bulky Waste	Bulky waste is collected from residents who are charged a nominal fee per Item.			X			
Car Parks General	In accordance with section 32 of the Road Traffic Regulation Act 1984 parking charges are set 'for the purpose of relieving or preventing congestion of traffic'.	X					
Car Parks - PCN	Penalty Charge Notices are limited by statute	X					
Cemeteries General	Charging for the burial of deceased by interment. Children are free of charge.		X				X
Crematorium	Charging for the disposal of deceased by cremation or interment. Children are free of charge.		X				X
Domestic Waste Collection	Additional waste collections and clearances as requested by residents, which fall above and beyond the normal requirements of the service.						X
Environmental Protection FPNs	Issue of Fixed Penalty Notices for environmental crimes such as dog fouling, fly tipping etc.	X					
Garage	Charges for completing taxi testing to ensure vehicles are safe, fit for purpose and road legal.						X
Grounds Maintenance	Charges for completing grounds maintenance works with external and other local agency clients.						X
Hackney Carriages	Charging for the licences granted for hackney carriages and private hire vehicles. There is a statutory duty to provide this service but fees are legislated to only cover the costs of the service.	X					X
Highways	Income received from carrying out private works for Parish Councils and local residents						X
Land Charges	There is a statutory requirement for councils to maintain a Land Charges register and charges are made when requests are received for information from the register when properties are changing ownership.						X
Licencing	Fees payable on the application and issue of licenses. There is a statutory duty to provide this service but fees are legislated to only cover the costs of providing the service.	X					X
Parks	Public Green Space areas are provided for sporting, recreational and cultural opportunities for communities. Charges are made for use of sport pitches, pavilions and changing rooms				X		
Regulatory Services	Fees charged for supplying pest control services supplied on a domestic, commercial and contracted basis.				X	X	

Service	Activity	Statutory	Free	Nominal	Subsidised	Cost Recovery with Discounts	Cost Recovery
Environment & Public Realm (cont.)							
Street Cleansing	Provide a chargeable cleansing service for works on private land.						X
Town Centre Public Conveniences	Pay-on-entry for use of public toilets in Caldecott Park			X			
Trade Waste Collection	Trade Waste collection service charged to commercial customers. The EPA 1990 requires authorities to arrange for the collection of commercial waste if requested and a reasonable charge may be made for its collection.						X
Tree Works	Completing tree and landscaping work for private clients and other local agencies.						X
Growth & Investment							
Art Gallery and Museum	Charging customers, schools and other agencies for attending educational workshops.				X		
The Benn Hall	Income generated from room hire, ticket sales and the sale of refreshments						X
Bikeability	Provide a Bikeability scheme for local schools, promoting road safety and healthy lifestyles						X
Caldecott Park Cafe	Food and drink sales are priced to recover the cost of running the café						X
On Track	Provide Sport & Recreation services for children and young people in the borough. Offering funding and facilities to sports clubs and community groups.		X		X		
Planning General/Income	Fees are charged for planning applications and other consent related applications	X					
Visitor Centre	Sale of tickets to attractions, gifts and Rugby memorabilia.						X

Questionnaire to Parishes on Future Options for Local Council Tax Support Funding

The Parish Councils were written to on 21st November to highlight the issue of reducing Local Council Tax grant funding to Parish Councils and to seek views on proposals for the future level of support.

The Parishes were presented with three options and asked to indicate which they preferred. A table was provided to the Parishes to indicate the financial effect of removing the grant funding in 2017/18. Table 1 below shows the responses.

Table 2 provides additional comments provided by the Parishes.

Table 1 - Which of the three options do you prefer?

	Respondents [Base 40]
Option 1: Remove the funding in its entirety in one year, in 2017/18	3
Option 2: Continue to reduce the funding in line with the Government reductions in RSG to Rugby Borough Council	14
Option 3: As above in 2017/18 only, with no further funding in 2018/19 or future years	2
Total response	19

19 of the 40 Parish Councils responded to the review, represented a response rate of 47%.

Option 2 "Continue to reduce the funding in line with the Government reductions in RSG to Rugby Borough Council" was selected as the preferred choice by 14 out of the 19 councils that responded (representing 74% of the responses).

Option 1 receives support from three councils (16%) whilst Option 3 only got two votes (10%).

Table 2 – Additional comments from Parish Councils

Ansty Parish Council
<p>If funding is withdrawn in its entirety and our precept remains the same there would be a 9% increase for households - this level of increase would be extremely hard on householders.</p> <p>If Band D were to remain the same there would be a cut of £622.54 to the precept. Again, it would be extremely difficult for the Parish Council to make such stringent cuts to the budget.</p> <p>To keep any increase to 2% would reduce our precept by £483 - again a difficult task to know where to make this level of savings. If it is decided to continue to reduce funding in line with RSG and the Parish Council want to keep the precept the same then householders would see an increase of £3.74 or 6.7%.</p> <p>With this option the PC would still be faced with a cut in the precept - a cut of £283 to the precept would mean a £1.44 or 2.6% rise to householders. This is tough but would be somewhat easier to accomplish.</p>
Bourton and Draycote & Leamington Hastings Parish Councils
<p>A straw poll of parish councillors opted unanimously to keep on receiving RSG as long as it lasts.</p>
Harborough Magna Parish Council
<p>We think the meaning of the three options in your consultation document lacks clarity ... but from our reading of this we think option 3 offers the highest payment in 2017/18.</p> <p>As Harborough Magna have received an unexpectedly high invoice from Rugby Elections Service for our contested election this year – the first we think in possibly 10 years - we would like to receive the maximum benefit council tax support in the coming financial year.</p>
Pailton Parish Council
<p>Funding reductions to be spread over two year. This is based on a calculation where our Precept would be increased for 2017/18 by 2% meaning £11,250. This is to ensure we can fund next years' activities.</p>
Withybrook Parish Council
<p>It was discussed at our Parish Council meeting on 5th December. The amount of funding contained within our precept is viewed as being minimal and its loss will have a negligible effect.</p>
Wolston Parish Council
<p>We want to maintain the precept at its current level and would prefer not to have a big increase for residents.</p>

AGENDA MANAGEMENT SHEET

Name of Meeting	Cabinet
Date of Meeting	9 January 2017
Report Title	Extension of Eastern European Link-worker post
Portfolio	Communities & Homes
Ward Relevance	All
Prior Consultation	None
Contact Officer	Michelle Dickson tel: (01788) 533843 michelle.dickson@rugby.gov.uk
Report Subject to Call-in	Yes
Report En-Bloc	No
Forward Plan	Yes
Corporate Priorities	COUNCIL - Increase the availability of information that will help residents and businesses.
Statutory/Policy Background	Expansion of the European Union in 2004
Summary	Business case for the extension of this post for the financial years 2017/18 and 2018/19.
Risk Management Implications	Discontinuation of the post poses a risk of schemes, set up to promote self-reliance and personal resilience within the community, failing. This increases the likelihood of presentations being made to the Council, at times of crisis, by the community.

Financial Implications

The current salary of the post holder is £17,361 per annum (25 hours per week Grade E). With on-costs this is currently £21,240 per annum, increasing to £22,350 for 2017/18.

Environmental Implications

There are no environmental implications arising from this report.

Legal Implications

The current post-holder will qualify for approximately £2,000 in redundancy pay should the post be discontinued and a redeployment opportunity not be found.

Equality and Diversity

This is an opportunity to ensure that the Polish community receives support to access services and increase self-reliance and personal resilience.

Options

1. Continued funding of the part-time post (25 hours per week) for 2017/18 and 2018/19
 - Allows work to continue and for service to be accessible to customers and other stakeholders
 - Relatively modest financial requirements due to identified savings from other budgets and the potential for redundancy
 - Opportunity to develop plans for continuing newly established projects with the community and voluntary sector beyond 2018/2019
2. Withdraw funding of the post from the end of the 2016/17 financial year
 - No opportunity for the initiatives set up to become established
 - Potential for increased footfall and contact with the Council, as people are unsure how to access services. This will also present issues in terms of accessing translation support.

Recommendation

The Eastern European Link-worker post (25 hours per-week) be extended for 2017/18 and 2018/19.

Reasons for Recommendation

This provides an opportunity to further develop the new initiatives – *Rugby Tu I Teraz* (dedicated Facebook page) and the multi-link project – including developing plans for their ongoing sustainability, most likely in partnership with the voluntary and community sector beyond 2018/19.

The introduction of Universal Credit is posing a particular challenge to this community, whereby their employment hours often fluctuate, wages are low and they have little security of tenure in respect of housing, overlaid with a system that provides little, if any support for people that do not speak business levels of English (as opposed to basic English). This increases potential risk to the council in terms of resource as people fall into crisis with a potential correlation in terms of increased homelessness presentations.

Cabinet – 9 January 2017

Extension of Eastern European Link-worker post

Report of the Communities & Homes Portfolio Holder

The Eastern European Link-worker post (25 hours per-week) be extended for 2017/18 and 2018/19.

1. BACKGROUND

The Eastern European Link-worker post started in July 2013 and was originally part of the Community Safety Partnership team. The work originally focused on the reduction of alcohol and substance misuse, and encouraging the reporting of domestic violence incidents, as part of the Healthy Lifestyles Programme.

From April 2016, the post transferred to the Housing & Community Development Team, with the focus of the work moving toward increasing self-reliance and resilience within the community, who through presentations for advice to the Council, continue to struggle to access appropriate services and suitable housing. These problems are being exacerbated by a very buoyant private-rented sector, the introduction of Universal Credit and often irregular hours of employment.

2. RECENT SUCCESSES

In summer 2016, the Link-worker established the Facebook page *Rugby Tu I Teraz* which promotes awareness of key issues to the community, in the Polish language. Contents include:

- How to access English for speakers of other languages (Esol) classes
- Information about local job clubs
- Energy savings advice
- Recruitment to the multi-link project
- Information on pre-school and nursery places

This page is currently liked by 139 followers, with over 100 of these being from Rugby. The establishment of this page complements the corporate objective to digitalise services where appropriate.

During the Autumn of 2016, recruitment to a mentor scheme was launched – the multi-link project. The objective of the project is to recruit volunteers from the Polish community to act as mentors and advisers to their peers, who require advice on a broad range of issues, including how to arrange car insurance, childcare, job clubs and general advice. All of these are examples of what the council has been asked to provide advice on, and without the informal translation support offered by the Link-worker post-holder we would have had to employ translation services to understand the client requirements. At the time of writing the first interviews were taking place for the first 3 volunteer mentors. The benefit to the volunteers is that they are able to use this opportunity to expand their own understanding of service availability and gain some useful experience for the development of their own curriculum vitae.

3. WORK IN PROGRESS

A current priority is to understand the community's ability to access Universal Credit, and feed this into the wider work being undertaken by the Housing Benefits Manager. Much of the Polish community are in work, often with irregular employments hours and low-wages. The current process for applying for Universal Credit is proving to be difficult which in turn presents a risk to the council with its statutory obligations in terms of homelessness, and with potential forthcoming legislation in terms of homelessness prevention. The community is over-represented in the private-rented sector with little in the way of security of tenure so this is an area of significant risk to the council, in resource terms.

There is a potential over-representation of Polish men using the services of Hope 4, who are potentially choosing not to engage with the appropriate support services. Work is in progress to develop an understanding of the underlying issues and how the community can be persuaded to engage in employment, training and other appropriate support.

More needs to be understood about the risks faced by the community in terms of domestic violence and the anecdotal evidence that women are unable to leave abusive partners as a consequence of their own immigration status being brought into question and therefore their ability to access the necessary support services. The ability of women from minority communities to escape domestic violence is a piece of work that the Community Safety Partnership is doing in response to an action-plan arising from a recent Domestic Homicide Review, following an incident in the borough.

Whilst these issues are the borough-wide ones, work is in progress to understand issues at a more localised level, as highlighted by the community audits in the regeneration strategy priority areas. Issues of Eastern European integration are relatively high profile in some areas and more work is planned to understand the specific issues and develop, in partnership with the communities, action plans for addressing them.

Work is in progress to identify and progress with opportunities for sustaining the multi-link mentor scheme and Facebook page, independent of the council. It may be that as the infrastructure has already been established, a voluntary or community

sector organisation, or even the Polish community itself, may want to take over running these initiatives. The extension of the post will permit this work to progress.

4. FUNDING THE EXTENSION OF THE POST

The current contract for conducting rural housing needs surveys ends on 31 March 2017, and is no longer required. This contract is valued at £6,550 per annum.

Additional savings have been identified for potentially funding the post including a £5,000 charge for a service that is no longer required and a £3,000 boiler servicing fund which has been discontinued as a consequence of almost nil take up.

In real terms this represents a contribution to the post of £14,550. The current salary of the post holder is £17,361 per annum (£21,240 including on-costs, increasing to £22,350 for 2017/18).

5. CONCLUSION

The post is important as it realises benefits for the council in terms of reducing the footfall of people, who currently default to the council, unsure of where to get information and advice appropriate to their needs. By virtue of the uncertainty of both housing and employment the community remains vulnerable to crisis and the resource of the post is key to engaging the wider community infrastructure to provide the necessary support.

The reallocation of existing budgets means that in real terms, the cost of extending the post is modest and can be viewed as potential spending to save.

Name of Meeting: Cabinet
Date Of Meeting: 9 January 2017
Subject Matter: Extension of Eastern European Link-worker post
Originating Department: Communities & Homes

LIST OF BACKGROUND PAPERS

Document No.	Date	Description of Document	Officer's Reference	File Reference
1.				

* The background papers relating to reports on planning applications and which are open to public inspection under Section 100D of the Local Government Act 1972, consist of the planning applications, referred to in the reports, and all written responses to consultations made by the Local Planning Authority, in connection with those applications.

* Exempt information is contained in the following documents:

Document No.	Relevant Paragraph of Schedule 12A
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* There are no background papers relating to this item.

(*Delete if not applicable)

AGENDA MANAGEMENT SHEET

Report Title:	Council Tax Base 2017/18
Name of Committee:	Cabinet
Date:	9th January 2017
Report Director:	Head of Corporate Resources and Chief Financial Officer
Portfolio:	Corporate Resources
Ward Relevance:	None
Prior Consultation:	No
Contact Officer:	Chryssa Burdett - Revenues Manager - 01788 533495
Public or Private:	Public
Report subject to Call-In:	No
Report En-Bloc:	Yes
Forward Plan:	Yes
Corporate Priorities:	All priorities
Statutory / Policy Background:	The Council has a statutory duty to calculate the Tax Base for its area.
Summary:	This report specifies the Tax Base for each part of the Council's area for 2017/18.
Financial Implications:	There are no financial implications for this report
Risk Management Implications:	There are no risk management implications for this report

Environmental Implications:	There are no environmental implications for this report
Legal Implications:	There are no legal implications for this report
Equality and Diversity:	There are no equality and diversity implications for this report
Options:	None
Recommendation:	The Tax Base for 2017/18 be approved.
Reasons for Recommendation:	Cabinet must set a Tax Base before January 31 st each year.

Cabinet - 9th January 2017

Council Tax Base 2017/18

Report of the Head of Corporate Resources and Chief Financial Officer

Recommendation

The Tax Base for 2017/18 be approved.

1. Introduction

The Local Authorities (Calculation of Tax Base) (England) Regulations 2012 require the billing authority (Rugby Borough Council) to calculate its Council Tax Base for the following year and to notify the Tax Base to Warwickshire County Council and Police Authority by 31st January. All Parish Councils are also to be provided with the information for their particular area. The regulations prescribe the rules for making the calculations. The Tax Base is expressed in terms of an equivalent number of band D properties for the whole area and for parts of the area as appropriate.

For the purpose of Section 33 of the Local Government Finance Act 1992 and in accordance with the Local Authorities (Calculation of Tax Base) (England) Regulations 2012 the amounts calculated by the Council as its Tax Base for the whole area for the financial year beginning 1st April 2017 is 35,400.80 and for those parts of its area mentioned below shall be:

Parish of	Ansty	123.33
	Binley Woods	979.47
	Birdingbury	156.80
	Bourton & Draycote	132.73
	Brandon & Bretford	281.14
	Brinklow	446.90
	Burton Hastings	92.10
	Cawston	1,536.73
	Church Lawford	158.66
	Churchover	390.23
	Clifton-upon-Dunsmore	519.89
	Combe Fields	64.65
	Copston Magna	20.10
	Cosford	8.01
	Dunchurch	1,323.30

Easehall	98.65
Frankton	164.44
Grandborough	206.81
Harborough Magna	176.54
Kings Newnham	29.33
Leamington Hastings	226.99
Long Lawford	1,268.35
Marton	212.93
Monks Kirby	221.90
Newton & Biggin	301.06
Pailton	221.52
Princethorpe	166.93
Ryton-on-Dunsmore	650.94
Shilton & Barnacle	329.98
Stretton Baskerville	7.61
Stretton-on-Dunsmore	501.33
Stretton-under Fosse	95.75
Thurlaston	205.53
Wibtoft	25.30
Willey	39.36
Willoughby	189.67
Withybrook	114.84
Wolfhampcote	149.86
Wolston	965.64
Wolvey	495.81
Rugby Town Area	21,967.99
Contributions in Lieu	131.70
	<hr/>
	35,400.80
	<hr/>

Name of Meeting:
Cabinet

Date of Meeting:
9th January 2017

Subject Matter:
Council Tax Base 2017/18

Originating Department: Resources

List of Background Papers

Document No.	Date	Description of Document	Officer's Reference	File Reference
1.				

There are no background papers relating to this item.

AGENDA MANAGEMENT SHEET

Report Title:	Risk Management Progress Report
Name of Committee:	Cabinet
Date:	9th January 2017
Report Director:	Head of Corporate Resources and Chief Financial Officer
Portfolio:	Corporate Resources
Ward Relevance:	None
Prior Consultation:	None
Contact Officer:	Mannie Ketley - Head of Corporate Resources and Chief Finance Officer
Public or Private:	Public
Report subject to Call-In:	No
Report En-Bloc:	Yes
Forward Plan:	No
Corporate Priorities:	This report is linked to all the achievement of all Council priorities
Statutory / Policy Background:	Not Applicable
Summary:	The content of the report details the progress which has been made over the last twelve months, the work currently being undertaken and the work that is planned for the next twelve months to continue to improve and embed the Risk Management programme.

Financial Implications:	No direct implications
Risk Management Implications:	Failure to implement, improve and embed the Risk Management programme would increase the risk that the Council does not achieve its objectives.
Environmental Implications:	No direct implications
Legal Implications:	No direct implications
Equality and Diversity:	No direct implications
Options:	None
Recommendations:	<ol style="list-style-type: none"> 1. The progress made within the Risk Management programme be noted; and 2. consideration be given to whether any further action is required to enhance the Risk Management culture within the Council.
Reasons for Recommendations:	To ensure that Risk Management remains embedded within the day to day work of the Council, including Members and Officers.

Cabinet - 9th January 2017

Risk Management Progress Report

Report of the Head of Corporate Resources and Chief Financial Officer

Recommendation

1. The progress made within the Risk Management programme be noted; and
2. consideration be given to whether any further action is required to enhance the Risk Management culture within the Council.

1. BACKGROUND

- 1.1 The Council's Risk Management Strategy specifies that Cabinet receive a report every twelve months on the progress being made to ensure that Risk Management remains embedded within the day to day work of the Council.

2. OVERVIEW

- 2.1 This report provides a brief overview of the progress which has been made during the last twelve months. Further information is provided on the work currently being undertaken and the work that is planned for the next twelve months to continue to improve and embed the Risk Management programme.
- 2.2 The key focus for the Risk Management programme is to embed risk management within the day to day work of the Council. Strategic Risk Management Group will continue to review the work that has been undertaken and is planned to take place over the next twelve months. This will ensure that the Council's strategic, operational and project risks, encompassing all elements of the Council's processes, are regularly monitored and reviewed.

3. PROGRESS MADE

- 3.1 The Strategic Risk Register was reviewed by the Strategic Risk Management Group (SRMG) in September 2016 with the next quarterly review due in January 2017. The SRMG reviews the register on a quarterly basis, ensuring that it remains valid and up to date. All recent amendments have been actioned and the regular quarterly reviews have been scheduled. The Strategic Risk Register is focussed to reflect the associated risks within the Corporate Strategy and the corporate priorities that it identifies.
- 3.2 The rolling programme of Operational Risk Register reviews is continuing, with the last series of annual reviews held between February and May 2016.

All managers and service heads are aware that Operational Risk Registers are subject to ongoing review.

- 3.3 The Council implemented Risk Based Internal Auditing (RBIA), which is recognised best practice, with effect from April 2016. Actions arising from internal audits are now aligned with the corresponding risk, and are recorded on the RPMS system. The linkages between the results of internal audits, relevant risks, and their mitigating actions have therefore been enhanced. The process also facilitates more regular and timely updates of Operational Risk Registers during the course of the year.
- 3.4 Cabinet approved the Council's new Anti-Fraud, Bribery and Corruption Strategy in September 2016. A detailed review has been completed, in support of the new strategy, to identify and evaluate the Council's exposure to the risks of fraud, bribery and corruption. The results of this exercise are encouraging: the Council's controls have been assessed as generally appropriate to the risks identified. A small number of further actions have been identified and these actions will be presented to the Strategic Risk Management Group, alongside a summary of the results of the review, in January 2017. The Corporate Assurance and Improvement Manager is preparing a Fraud Response and Risk Action Plan which will be presented to the Audit & Ethics Committee for consideration in February 2017.
- 3.5 Work has continued to improve the robustness of Risk Management within projects. Project risk registers are being used more now than ever before.. The Risk Management and Insurance Officer was a member of the project group for the Rugby Hall of Fame during 2016.

4. FUTURE WORK

- 4.1 The rolling programme of Operational Risk Register reviews has highlighted a number of risks which apply across the Council, and which would therefore benefit from being considered and managed at the corporate level. The Risk Management and Insurance Officer is currently working with the Head of Corporate Resources and Chief Finance Officer to identify which risks would benefit from a more corporate approach. These initial risks, which will form part of a new corporate risk register, will be reported to and considered by the Strategic Risk Management Group at its next meeting in January 2017. It is expected that managing such risks at the corporate level will lead to a more effective, and consistent, response across the Council.
- 4.2 Service managers will continue to be encouraged to consider reviewing and updating Operational Risk Registers as soon as planned operational changes are identified. Such changes might include changes in resources, or changes in operational procedures and controls. Identifying, evaluating and managing such risks and opportunities at an early stage, and ensuring that appropriate mitigating actions are implemented, could reduce the likelihood or impact of an adverse event whilst ensuring that opportunities are effectively managed.

Name of Meeting:
Cabinet

Date of Meeting:
9th January 2017

Subject Matter: Risk Management Progress Report

Originating Department: Corporate Assurance and Improvement

List of Background Papers

Document No.	Date	Description of Document	Officer's Reference	File Reference
None				

* The background papers relating to reports on planning applications and which are open to public inspection under Section 100D of the Local Government Act 1972, consist of the planning applications, referred to in the reports, and all written responses to consultations made by the Local Planning Authority, in connection with those applications.

* Exempt information is contained in the following documents:

Document No.	Relevant Paragraph of Schedule 12A
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* There are no background papers relating to this item.

(*Delete if not applicable)

AGENDA MANAGEMENT SHEET

Report Title:	Rent in advance
Name of Committee:	Cabinet
Date:	9 th January 2017
Report Director:	Head of Communities and Homes
Portfolio:	Communities and Homes
Ward Relevance:	All
Prior Consultation:	Portfolio Holder for Communities and Homes, Senior Management Team, Members, Tenant Representative Panel
Contact Officer:	Liz Dunlop
Public or Private:	Public
Report subject to Call-In:	No
Report En-Bloc:	Yes
Forward Plan:	Yes
Corporate Priorities:	This report relates to the following priority(ies): PEOPLE - Facilitate the provision and upkeep of good quality housing to meet local needs and to cater for the growth of Rugby. PEOPLE - Provide leisure facilities and support independent and healthy living.
Statutory / Policy Background:	None
Summary:	Rent payment in advance be considered

for new tenants and existing tenants as per the benefits to the council and the tenant detailed in the body of the report

Financial Implications:

There may be some costs associated with reconfiguring the housing management system. These cannot be determined at present. The system was reconfigured following the changes introduced as a result of the review of rent collection and rent arrears using internal resources.

Risk Management Implications:

Tenants on low incomes paying one month's rent in advance – this can be mitigated by making an affordable agreement with individuals

Environmental Implications:

There are no environmental implications for this report

Legal Implications:

There are no legal implications for this report

Equality and Diversity:

An equality impact assessment will be carried out and any impacts/risks and mitigation will be captured in the Operational Risk Register and reviewed regularly.

Options:

- (1) to continue existing arrangements or
- (2) to move to a rent in advance payment culture

Payment of rent in advance be agreed:

Recommendation:

- New tenants to pay rent one month in advance with effect from 1.4.17.
- Existing tenants be consulted on paying one month's rent in advance as part of the review of tenancy conditions to be carried out in 2017 and, if approved, to be implemented with effect from 1.4.18.

Reasons for Recommendation:

Moving to a rent in advance culture will provide benefits both for RBC and the tenant as described in the report. The increased income from rent in advance will also help reduce the impact of the delay in universal credit payments being processed.

Cabinet – 9th January 2017

Rent in Advance

Report of the Head of Communities and Homes

Recommendation: Payment of rent in advance be agreed:

- New tenants to pay rent one month in advance with effect from 1.4.17.
- Existing tenants be consulted on paying one month's rent in advance as part of the review of tenancy conditions to be carried out in 2017 and, if approved, to be implemented with effect from 1.4.18.

Background:

As part of the review of the housing services rent collection and arrears recovery process new tenants were asked to pay one week's rent in advance at sign up for their new tenancy since January 2015. This has continued and most new tenants have had little problem in paying this.

Existing tenants should pay their rent within the week due to comply with their conditions of tenancy.

Tenants paying by Direct Debit or Standing Order currently pay monthly in arrears.

Approach used by other local authorities and housing associations:

Other local authorities and housing associations have reviewed their approach towards rent payments and are taking or working towards taking between one and four weeks rent in advance for new and existing tenants.

Generally they use the following approach for new tenants:

- If in full-time employment the tenant would be required to pay one month in advance on the day of sign up
- If in part-time employment the tenant would be required to pay two weeks rent in advance on the day of sign up and £3.00 per week by direct debit until their account showed one month's rent in advance
- If in receipt of housing benefit/universal credit the tenant would be required to pay one week in advance and set up a weekly direct debit until the account showed one month's rent in advance

In some organisations consultation has or is taking place with existing tenants with regard to changing their conditions of tenancy to move to rent in advance.

In moving to rent in advance flexibility would need to be considered with tenants regarding the amount they paid until they achieved one month's rent in advance.

Introducing rent in advance:

Other organisations are providing a coach to work with applicants to enable them to be tenancy ready when they move into their accommodation.

Prior to a tenancy being granted the following arrangements are being considered by Rugby Borough Council (RBC) to work with housing applicants to assist in their being tenancy ready –

- Encouraging applicants to save so they can pay the rent in advance when they are given a tenancy
- Budgetary skills training
- Income maximisation
- Help to source cheaper furniture
- Support plans, if vulnerable

A tenancy ready project is already in place and training has been carried out for 30 housing applicants to date.

Existing tenants:

- Tenants would require to be consulted
- If agreed, tenants could move to rent in advance by paying an agreed extra amount each week/month until their account is in advance
- The additional amount to be paid would depend on a tenant's individual circumstances.

Benefits of Rent in Advance:

RBC –

- Increased income from rent in advance will help reduce the impact of the delay in universal credit being processed. Currently RBC has 170 cases currently identified on universal credit with £122K arrears
- Tenants will get used to the culture that they must pay their rent themselves
- Those on universal credit have to ensure they pay their rent to the council out of the housing allowance received
- The level of former tenants arrears should reduce
- This should have a positive impact on a reduction in the amount of arrears being written off

- If all tenants achieved rent in advance approximately £13K per annum could be earned by way of interest at the current time
- Any credit could offset other debts to the council when the tenancy is terminated

Tenant –

- In preparation for moving to universal credit tenants will understand they must pay their rent direct to RBC themselves.
- Improvement in budgetary skills
- On termination of the tenancy the final month's payment should have been paid thus assisting the tenant in having a deposit to move to their new property
- If in and out of work having a month's rent credit could help during this period when they are applying for housing benefit or universal credit

Options for the future:

A payment culture of rent in advance be agreed:

- New tenants pay rent one month in advance with effect from 1.4.17.
- Existing tenants be consulted on paying one month's rent in advance as part of the review of tenancy conditions to be carried out in 2017 and, if approved, to be implemented with effect from 1.4.18.

Name of Meeting:
Cabinet

Date of Meeting:
9th January 2017

Subject Matter:
Rent in advance

Originating Department:

List of Background Papers

Document No.	Date	Description of Document	Officer's Reference	File Reference
1.				

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* Exempt information is contained in the following documents:

Document No.	Relevant Paragraph of Schedule 12A
--------------	------------------------------------

* There are no background papers relating to this item.

(*Delete if not applicable)

AGENDA MANAGEMENT SHEET

Report Title:	Urgent Decision under Delegated Powers - Reinstatement of the Green Bin service
Name of Committee:	Cabinet
Date:	9th January 2017
Report Director:	Head of Environment and Public Realm
Portfolio:	Environment and Public Realm
Ward Relevance:	All Wards
Prior Consultation:	The Executive Director, in consultation with the Leader of the Council, the Environment and Public Realm Portfolio Holder, together with Councillors Ms Edwards and Roodhouse.
Contact Officer:	Sean Lawson, Head of Environment and Public Realm
Public or Private:	Public
Report subject to Call-In:	No – a decision has already been taken under delegated powers.
Report En-Bloc:	Yes
Forward Plan:	No
Corporate Priorities:	ENVIRONMENT – To prevent fly tipping and litter ENVIRONMENT - Promote and maintain high levels of waste recycling
Statutory / Policy Background:	
Summary:	An urgent decision was taken under delegated powers with regard to the reinstatement of the green bin service.

Financial Implications:	There are no financial implications for this report
Risk Management Implications:	There are no risk management implications for this report.
Environmental Implications:	The environmental implications are detailed in the report.
Legal Implications:	There are no legal implications for this report
Equality and Diversity:	There are no equality and diversity implications for this report
Options:	
Recommendation:	The report be noted.
Reasons for Recommendation:	Able to reinstate the green bin collection service earlier than previously planned whilst still achieving planned savings through partnership working with Warwickshire County Council.

Cabinet - 9th January 2017

Urgent Decision under Delegated Powers - Reinstatement of the Green Bin service

Report of the Environment and Public Realm Portfolio Holder

Recommendation

The report be noted.

An urgent decision was taken as detailed below.

Background

Cabinet on 3rd October 2016 made a decision to suspend the green bin service with effect from week commencing 5th December. No specific date was set for the reinstatement of the service. The cross party working party on waste services had secured a partnership grant of £25,000 from Warwickshire County Council. The agreement demonstrated that the working party had made a real difference to services that affect residents.

The suspension of services over the Christmas and New Year is necessary to accommodate residual and recycling collection over the holiday period. It is also necessary to reconfigure collection rounds to make them more efficient.

The contribution of Warwickshire County Council to the Working Party demonstrates the benefits of partnership working and recognises the long-term benefits that occur by remodelling the waste collection services.

Consultation

The Executive Director in consultation with Councillor Stokes (Leader of the Council), Councillor Lisa Parker (Portfolio Holder for Environment and Public Realm) together with Councillors Ms Edwards and Roodhouse (Leaders of the main opposition groups) who agreed with that -

1. the Green Bin (Food and Garden waste) collection service resumes for all households in the weeks beginning 23rd or 30th January 2017 depending on their collection round; and
2. an advice leaflet be delivered to all households, with waste collection calendars, in the week beginning 9th January 2017.

Name of Meeting:
Cabinet

Date of Meeting:
9th January 2017

Subject Matter:
Urgent Decision under Delegated Powers - Reinstatement of the Green Bin service

Originating Department:
Environment and Public Realm

List of Background Papers

Document No.	Date	Description of Document	Officer's Reference	File Reference
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