

CABINET
20/08/2018 at 6.00 pm



Present: Councillor Fielding (Chair)
Councillors Chadderton, Chauhan, Jabbar, Jacques, Mushtaq,
Roberts, Shah and Ur-Rehman

1 **APOLOGIES FOR ABSENCE**

There were no apologies for absence received.

2 **URGENT BUSINESS**

There were no items of urgent business received.

3 **DECLARATIONS OF INTEREST**

There were no declarations of interest received.

4 **PUBLIC QUESTION TIME**

There were no public questions received.

5 **MINUTES OF PREVIOUS MEETING**

RESOLVED that the minutes of the Cabinet meeting held on
23rd July 2018 be approved as a correct record.

6 **COUNCIL TAX REDUCTION 2019/20**

Consideration was given to a report from the Director of Finance which sought approval for a proposed consultation process to be undertaken by the Council to seek comments on revising the 2019/20 Council Tax Reduction Scheme.

There was a requirement to have a Council Tax Reduction scheme to support residents who qualified for assistance in paying Council Tax. The Local Government Finance Act 2012 required that each year a Billing Authority must consider whether to revise its Council Tax Reduction (CTR) scheme or to replace it with another scheme. Any change to the 2019/20 scheme must be agreed by full Council in line with budget setting and no later than 10 March 2019. This required the Council to agree a revised 2018/19 scheme at the 27 February 2019 Council meeting

The Council's CTR scheme had been largely un-amended since April 2015 when the Council introduced a scheme that:

- Limited CTR to a maximum of 85% of Council Tax for a Band A property
- Removed second adult rebate for those of working age

Since 2016, there had been a number of legislative changes to the Housing Benefit Regulations (which included both advantageous and disadvantageous changes for the claimant), and these had not been aligned to the CTR scheme. This increased both the income and administrative costs of the scheme for the Council and could create confusion for residents.

In April 2017, Universal Credit Full Service (UC) commenced its roll out in Oldham and wider understandings of the impact of this roll out over the past few months presented the Council with an opportunity to reconsider its scheme for 2019/20. This could take into account the particular challenges UC presented in relation to managing changes of circumstance for CTR claimants, the method of calculation for UC/CTR cases and the resulting impacts on Council Tax collection.

A full examination of all the changes that might be considered for the 2019/20 scheme would ensure that the impact on residents of proposed changes were fully developed and reviewed and ensure that the scheme continued to remain fit for purpose for all CTR claimants and for the Council.

The issues set out for consideration and upon which the recommendations were based were:

- a) Maintaining the present level of support i.e. limiting the level of support at 85% of Council Tax for a Band A property as the maximum amount available.
- b) Limiting the maximum level of support from 2019/20 to 82.5% of Council Tax for a Band A property
- c) Aligning the Council Tax Reduction scheme to reflect some or all of the changes made to Housing Benefit since April 2016
- d) Changing the method of assessment for Universal Credit Council Tax Reduction cases
- e) Introducing a minimum income floor for self-employed Council Tax Reduction claimants

Options/Alternatives considered:-

- 1) Maintaining the present level of support i.e. limiting the level of support at 85% of the Council Tax of a Band A property as the maximum amount available.
- 2) Limiting the maximum level of support from 2019/20 to 82.5%
- 3) Aligning the CTR scheme to reflect some or all of the changes made to HB
- 4) Changing the method of assessment for UC CTR cases
- 5) Introducing a minimum income floor for self- employed CTR claimants

RESOLVED that the consultation on the Council Tax Reduction Scheme for 2019/20 be agreed and views be sought on:

1. The continuation of limiting support to a maximum of 85% of Council Tax of a Band A Property.
2. The application of disregards for Bereavement Support Allowance and post graduate master's degree loan and special support payments in the assessment of CTR.
3. The introduction of support for UC/CTR claimants including earnings disregards, use of DWP information as an intention to claim and incorporation of housing costs in the UC maximum award.

TREASURY MANAGEMENT REVIEW 2017/18

The Cabinet gave consideration to a report of the Director of Finance which provided details of the Treasury Management Review 2017/18 and demonstrated full compliance with the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

During 2017/18 the minimum reporting requirements were that the full Council should receive the following reports:

- an annual treasury strategy in advance of the year (approved 1 March 2017)
- a mid-year (minimum) treasury update report (approved 13 December 2017)
- an annual review following the end of the year describing the activity compared to the strategy (this report)

The presentation of this report demonstrated full compliance with the requirements as it provided details of the outturn position for treasury activities and highlighted compliance with the Council's policies previously approved by Members.

The regulatory environment placed responsibility on Members for the review and scrutiny of treasury management policy and activities. The Audit Committee had this responsibility and it had already scrutinised the report at its meeting of 16 July 2018. The Audit Committee was content to commend the report to Cabinet.

Options/Alternatives considered:-

No alternatives were presented other than Cabinet consider and approve the contents of the report.

RESOLVED that:-

1. The actual 2017/18 prudential and treasury indicators presented in this report be approved.
2. The annual treasury management report for 2017/18 be approved.
3. The report be commended to Council.

2017/18 STATEMENT OF ACCOUNTS

The Cabinet gave consideration to a report of the Director of Finance, which provided details of the 2017/18 approved audited Statement of Accounts and the External Auditor, Grant Thornton UK LLP, Audit Findings report.

It was reported that the draft 2017/18 Statement of Accounts was approved by the Audit Committee at its meeting on the 16th July 2018.

The report highlighted:

- The content of the External Auditors Audit Findings Report, which contained the unqualified opinion on the Statement of Accounts and positive value for money opinion.

- The overall revenue outturn position for 2017/18 was a surplus of £0.150m before the final transfer to earmarked reserves to support the 2018/19 budget. This was a marginal increase on the forecast outturn position of a £0.146m favourable variance reported on the month 9 position. Following the transfer to earmarked reserves to support the 2018/19 budget the net General Fund movement was a decrease of £0.753m.
- The Council spent £25.803m on its Capital Programme in 2017/18 compared to the forecast spending of £27.145m, which resulted in a variance of £1.342m between the forecast and actual position. This was mainly due to a re-profiling of the planned expenditure for a number of capital projects which would be moved into 2018/19 together with the associated financing.
- Capital receipts in year totalled £11.363m against a financing requirement of £6.780m.
- Schools balances at the year-end totalled £5.545m but were offset by the deficit on the Dedicated Schools Grant of £3.031m leaving a net reserve of £2.514m
- The final Housing Revenue Account (HRA) balance was £20.162m
- The speed of the preparation of the accounts
- The performance of the Finance Team in closing the Council's accounts and its focus on
- continuous improvement of its processes.

It was noted that the Council received an objection to the 2016/17 Statement of Accounts which had not yet been resolved. Therefore although the External Auditor had given an opinion on the accounts from both financial years the formal review of the objection must conclude before the audit could be formally closed.

Options/Alternatives considered

No alternatives were presented other than Cabinet noted the final accounts and commended them to Council.

RESOLVED that:

1. The Council's 2017/18 final accounts, the auditor's report and the comments in that report be noted.
2. The report be commended to Council.

CLEAN STREETS INITIATIVE

The Cabinet gave consideration to a report of the Deputy Chief Executive, People and Place which identified the additional resource requested in street cleaning and enforcement.

At a neighbourhood level, it was evident that there were different characteristics and behaviours within local communities which impacted on the appearance of an area and the associated costs to the Council in maintaining a reasonable standard of Environmental Cleanliness. There was a need for a holistic

approach to tackle the poor behaviours within an area which led to an increased amount of litter and dumping in the streets. In a number of highly populated areas there was a need to support local communities by maintaining a good level of cleanliness and taking enforcement action against those responsible for littering and dumping wherever sufficient evidence could be found.

A place management approach to improve those areas clearly identified as requiring a differential approach to protect from decline, required investment. The proposed intervention was based upon that previously trialed and would be targeted at the specific areas of:-

- Glodwick
- Clarksfield
- Werneth
- Coppice
- Coldhurst
- Clarkwell
- Westwood
- Hathershaw

Additional investment was proposed to enable the delivery of improved outcomes in terms of area and street cleaning. The resource would be deployed to work alongside the behaviour change work which was ongoing in local communities and in which local Members played a large part through local leadership.

Options/Alternatives considered:-

1. To agree the proposal and associated costs as identified
2. To indicate a preferred option with reduced investment.

RESOLVED that the provision of the additional resource as outlined in the report be agreed.

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MEDIUM TERM PROPERTY STRATEGY

The Cabinet considered a report of the Deputy Chief Executive, People and Place, which sought approval for the Medium Term Property Strategy 2018-22 to guide and inform future decisions with respect to the Council's property portfolio.

Members were informed that best practice strategic asset management recommended that a Property Strategy was prepared that described the general direction that the Council's property portfolio would take over the next 5 years, the approach to be adopted in getting there and the policies that would be applied to decision making.

Oldham Council's approach was to have a high level Medium Term Property Strategy (MTPS) that incorporated a detailed Asset Management Plan for every property asset / group of assets the Council had and a Commercial Property Investment

Strategy to guide and set principles of how investment in property was undertaken and income generated. A summary of the Medium Term Property Strategy, titled The Property Plan 2018-22 was also available.

Options/Alternatives considered:-

1. Do not agree the strategy.
The Council could choose not to agree the Medium Term Property Strategy, this is not recommended as it does not maximize the potential of the Council's property portfolio.
2. Agree the strategy.
The Council could agree to establish the Medium Term Property Strategy and use this as a framework to manage and rationalise the Council's property portfolio in support of the Corporate Plan.

RESOLVED that the Cabinet approved

1. The Medium Term Property Strategy 2018-22, and
2. The Property Plan 2018-22.

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APPOINTMENTS TO THE FAILSWORTH TRUST CABINET SUB-COMMITTEE

The Cabinet gave consideration to a report of the Director of Legal Services which sought appointments from the Cabinet to the Failsworth Trust Cabinet Sub-Committee.

Members were informed that the Failsworth Trust Committee was a sub-committee of the Cabinet which dealt with the land in Failsworth which was held by the Council on charitable trust.

The Cabinet had previously established a sub-committee to consider issues relating to the trust. Given the new composition of the Cabinet, new members of the sub-committee were sought. It was proposed that Councillors Fielding, Shah and Roberts were appointed as members of the sub-committee.

Options/Alternatives considered:-

- Option 1 – appoint new members to the Sub-Committee, with full delegated powers.
- Option 2 – do nothing. The Cabinet could make decisions in relation to the land.

RESOLVED that the Cabinet appointed Councillors Fielding, Shah and Roberts to the Cabinet Sub-Committee, with full delegated powers to consider the next steps for the land which was held on charitable trust.

The meeting started at 6.00 pm and ended at 6.28 pm