

Cabinet – Meeting held on Monday, 8th February, 2016.

Present:- Councillors Anderson (Chair), Carter, Hussain (from 6.58pm),
Munawar, Parmar, Sharif and Swindlehurst

Also present under Rule 30:- Councillors Ajaib, Nazir and Pantelic

Apologies for Absence:- Councillor Mann

PART 1

86. Declarations of Interest

No declarations were made.

87. Minutes of the Meeting held on 18th January 2016

Resolved – That the minutes of the meeting of the Cabinet held on 18th
January 2016 be approved as a correct record.

88. Financial & Performance Report - Quarter 3 2015-16

The Cabinet considered a report detailing the latest forecast financial information and performance against the balanced scorecard indicators and Five Year Plan outcomes for the third quarter of the financial year. Approval was sought for the write off requests in section 16 of the report and the virements in section 12.

The Council was forecasting an overspend of £0.486m to the end of December 2015, which was a significant improvement on the previous month. Service action plans had reduced the underlying overspend and the profile was broadly now in line with previous years. The Cabinet asked whether there was any further update since the report had been written and it was noted that the Month 10 figures were not yet available but that it was hoped to further reduce the overspend and move towards a breakeven position by the end of the financial year.

The Cabinet noted the financial forecasts and the performance information set out in the report, and approved the write off requests and virements.

Resolved –

(a) That the virements and write offs contained within the report be approved.

(b) That the current financial forecast position, balanced scorecard and update on Gold projects be noted.

89. Medium Term Financial Strategy 2016-2020

The Assistant Director Finance & Audit introduced a report that set out the medium and longer term financial planning assumptions of the Council contained in the Medium Term Financial Strategy 2016-20.

The final Local Government Finance Settlement had only been published earlier in the evening, and a preliminary assessment of the settlement was that there were no significant changes for Slough. It was noted that following representations, including by authorities across Berkshire, the Government had made additional funds available to rural areas and those authorities with the steepest funding reductions. This additional funding was likely to benefit some neighbouring authorities but not Slough.

The key elements of the MTFs approach were summarised and it was noted that strong growth was forecast in Council Tax income and this would, along with Business Rates revenue, account for the vast majority of the Council's revenue in future years. The Revenue Support Grant from government was forecast to reduce from £40m two years ago to £6m by the end of the MTFs period in 2019-20. This shift in income sources was reflected in the Five Year Plan which sought to protect and grow income by supporting housing and business growth where appropriate. A cautious approach had been taken in assessing the likely future income from Council Tax, Business Rates and through Slough Urban Renewal. The Cabinet noted the risks in the strategy, including the under delivery of savings targets and exposure on income generation such as the strategic asset purchase scheme, and the approach to managing these risks was noted.

In response to a question, the Assistant Director stated that the Council's revenue budget was £125m in 2010-11. By 2020 it would have risen to £150m if it had increased in line with inflation, but the MTFs forecast was for it to be £95m. Commissioners felt that this real terms budget reduction of £55m underlined the significant financial challenge faced by the Council, particularly in view of the increased demand for many services. The Council had until October to agree a four year settlement with the Government and it was generally considered to be best to take this option to provide greater budget certainty.

(Councillor Hussain joined the meeting)

Commissioners discussed a range of other issues including collection rates, links between the revenue budget and capital strategy, and the impact of the changing and uncertain policy outlook, citing the Government's decision to reduce council housing rents by 1% each year for the next five years which would have a significant impact on the Housing Revenue Account budget. It was noted that the MTFs was primarily focused on delivering future savings through transformation rather than cuts to services, however this was harder to achieve. Commissioners supported this approach and felt that strong financial management in recent years had put the Council in a relatively good position to respond to the future budget challenges.

At the conclusion of the discussion, the Cabinet agreed to recommend the MTFS 2016-2020 to full Council on 25th February, subject to any minor adjustments arising from the final Local Government Finance Settlement.

Recommended – That the Medium Term Financial Strategy 2016-20 be approved.

90. Treasury Management Strategy 2016/17

The Cabinet considered a report on the Treasury Management Strategy for 2016/17 that set out how the Council intended to manage its treasury risk, in line with the Chartered Institute of Public Finance and Accountancy (CIPFA) codes of practice. The current policy was considered to be performing well and the Council was the 8th best performing out of 127 organisations in its benchmarking club. No major changes were therefore proposed in the strategy for next year.

There was no short term requirement to take on additional borrowing and it was unlikely that new borrowing would be required until the end of the Medium Term Financial Strategy period in 2020, depending on Members decisions on future schemes and projects. Speaking under Rule 30, Councillor Nazir asked for further information about the Council's borrowing arrangements to ensure it was taking advantage of the current low interest rate environment. It was confirmed that the Council was looking to reduce his borrowing and would be paying off £4m next year. However, the premiums on paying off some borrowings early was prohibitive. Commissioners also discussed borrowing to invest, particularly to support the Council's housing objectives, and it was noted that activities through Slough Urban Renewal and the Local Authority Partnership Purchase scheme could potential benefit from market trends, however the Council also needed to carefully consider the financial risks and exposure in making further investments.

A Commissioner asked about the level of assurance regarding compliance with the Council's Ethical Investment Policy and it was responded that there was a high level of confidence that the policy was being applied to direct investments, although it was not possible to verify all transactions with every institution to ensure compliance.

At the conclusion of the discussion, the Cabinet agreed to recommend the Treasury Management Strategy 2016/17 to full Council on 25th February 2016.

Recommended – That the Treasury Management Strategy for 2016/17 be approved.

91. Capital Strategy 2016-2022

A report was considered that sought approval for the Capital Strategy 2016-22 and the Capital Programme 2016-17 which would be implemented subject to business cases.

The strategy included significant investment in a range of housing, education and transport projects, and included a major £30m investment in leisure facilities as agreed by Council in January 2016. The capital projects were geared towards the Five Year Plan outcomes both in terms of improving infrastructure and services for the town and delivering value for money by using capital investment to deliver revenue savings where appropriate.

Commissioners commented that the strategy was well matched to the Council's wider strategic objectives, for example the investment in the new leisure centre, Arbour Park Community Sports Facility and refurbished ice arena would help increase people's levels of activity and reduce spending on health and care. Investment in transport infrastructure, particularly on the A4, A355 and A332 would help to further improve Slough as an attractive business location to help protect Business Rate income.

The Cabinet discussed a number of other issues including future Section 106 income and the Community Infrastructure Levy (CIL). It was felt that the principle of CIL was sound but the legislative requirements meant that it would be difficult to implement in Slough and would therefore be kept under review. A number of other issues were discussed including the resources available for demolitions to support regeneration projects.

The Cabinet agreed to recommend the Capital Strategy and Capital Programme to full Council on 25th February 2016.

Recommended –

- (a) That the capital strategy of £235m and the Minimum Revenue Provision be approved and Recommended to full Council.
- (b) That it be noted that the notional costs of borrowing for the capital programme to the revenue budget would increase by up to £2.5m per annum commencing during the period of the capital strategy to fund borrowing and / or the reduction of investments of £40m.
- (c) That the principles underpinning the capital programme in paragraph 5.1.2 of the report and Minimum Revenue Provision principles be approved.
- (d) That appendices A to C of the report detailing the capital programmes be approved (subject to these having approved Final Business Cases by the Capital Strategy Board).

92. Revenue Budget 2016-17

The Cabinet considered a report on the Revenue Budget 2016-17 and the decisions required to achieve a balanced budget for year ahead. It had been another challenging year for the Council financially with continued significant reductions in government funding and increased demand for services.

There had been a change of approach this year with an outcomes based budgeting approach focused on the delivery of the Five Year Plan. The key elements of the revenue strategy were summarised and the budget sought to protect Council services as far as possible by closing the budget gap through income generation (35% of the savings requirement), transformation (32%) and efficiency (29%). This approach was reflected in the savings proposals previously considered by the Cabinet in November and December 2015 and the proposal to increase Council Tax by 3.75%. This incorporated the additional 2% precept to support Adult Social Care. Commissioners attention was drawn to a number of specific issues such as Appendix N that summarised feedback from the 500 responses to the Budget Simulator consultation; the Efficiency Strategy in Appendix L setting out how the Council would utilise the new flexibilities in the use of capital receipts to support qualifying revenue expenditure; and the Section 151 Officer's statement on reserves in Appendix H which set the minimum recommended General Fund reserve at £7.2m. The budget included major transformation programmes and contract re-commissioning as well as £275k to support Local Welfare Provision.

The Cabinet considered the proposal to increase Council Tax by 3.75%, including the 2% adult social care precept, to help partially offset the larger than anticipated funding reductions from the Government. Government funding had fallen by £144 per person since 2013/14 and it had been calculated that the 3.75% increase equated to a Council Tax rise of 84p per week for a Band D property. The successive freezes and below inflation rises in Council Tax in recent years meant that it was broadly the same in real terms as a decade ago, despite the substantial funding reductions during that period.

Speaking under Rule 30 of the Constitution, Councillor Pantelic asked a number of questions about the budget in relation to Slough Children's Services Trust including the level of additional resource provided to the trust; the process if the trust required further resources; and the key performance indicators (KPIs) used to monitor improvement. An additional £2.8m would be provided in 2016/17, as per the agreement of the Cabinet and Council in September 2015. This followed significant growth in the children's services budget in previous years to support improvement and was in sharp contrast to the major reductions in other service areas. The terms of the contract set out the process for approving additional resources and any such decision would require the approval of full Council. KPIs had been agreed between the Council and Trust and these could be provided to Members.

In response to a question from the Leader, it was noted that the Office Police & Crime Commissioner were likely to raise its precept by 1.99% and a number of parishes had indicated they would also be raising their precepts. The final figures from precepting authorities should be in place prior to the Council meeting on 25th February. Commissioners discussed a range of other issues including the future options for creating and potentially managing more housing stock; the position regarding reserves and the increased medium term risks of exposure to Business Rates and Council Tax income; and the resources available to support the Council's digital transformation programme.

The Cabinet supported the overall budget strategy that had avoided cuts to services on the scale many other authorities had adopted. A clear budget strategy had been developed to protect key services and deliver the majority of savings through transformation, efficiency and income generation and the Council was still able to make strategic investments in areas such as digital. It was agreed to recommend the revenue budget to full Council on 25th February subject to any adjustments arising from the final Local Government Finance Settlement and confirmation of the decisions of the other precepting authorities.

Recommended – That the Revenue Budget 2016/17 be approved and Recommended to Council on 25th February 2016, noting that other organisations have yet to set their Council Tax precepts and subject to any adjustments from the final Local Government Finance Settlement.

Council Tax Resolution – In relation to the Council Tax for 2016/17

- (a) That in pursuance of the powers conferred on the Council as the billing authority for its area by the Local Government Finance Acts (the Acts), the Council Tax for the Slough area for the year ending 31 March 2017 be as specified below and that the Council Tax be levied accordingly.
- (b) That it be noted that at its meeting on 14 December 2015 Cabinet calculated the following Tax Base amounts for the financial year 2016/17 in accordance with Regulations made under sections 31B (3) and 34(4) of the Act:
 - (i) 40,001.8 being the amount calculated by the Council, in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 2012 (the Regulations) as the Council Tax Base for the whole of the Slough area for the year 2016/17; and
 - (ii) The sums below being the amounts of Council Tax Base for the Parishes within Slough for 2016/17:

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| a) | Parish of Britwell | xxx |
| b) | Parish of Colnbrook with Poyle | xxx |
| c) | Parish of Wexham | xxx |

- (c) That the following amounts be now calculated for the year 2016/17 in accordance with sections 31A to 36 of the Act:
- (i) £420,457,936 being the aggregate of the amounts which the Council estimates for the items set out in section 31A (2)(a) to (f) of the Act.
(Gross Expenditure);
 - (ii) £ 371,765,208 being the aggregate of the amounts which the Council estimates for the items set out in section 31A (3) (a) to (d) of the Act.
(Gross Income);
 - (iii) £48,907,610 being the amount by which the aggregate at paragraph c (i) above exceeds the aggregate at paragraph c (ii) above calculated by the Council as its council tax requirement for the year as set out in section 31A(4) of the Act. (Council Tax Requirement);
 - (iv) £1,222.65 being the amount at paragraph c(iii) above divided by the amount at paragraph b(i) above, calculated by the Council, in accordance with section 31B(1) of the Act, as the basic amount of its Council Tax for the year, including the requirements for Parish precepts.
 - (v) That for the year 2016/17 the Council determines in accordance with section 34 (1) of the Act, Total Special Items of £215,778 representing the total of Parish Precepts for that year.
 - (vi) £1,217.26 being the amount at paragraph c (iv) above less the result given by dividing the amount at paragraph c (v) above by the relevant amounts at paragraph b (i) above, calculated by the Council, in accordance with section 34 (2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates.
 - (vii) Valuation Bands

Band	Slough Area £	Parish of Britwell £	Parish of Colnbrook with Poyle £	Parish of Wexham Court £
A	811.51	xx.xx	xx.xx	xx.xx
B	946.76	xx.xx	xx.xx	xx.xx
C	1,082.01	xx.xx	xx.xx	xx.xx
D	1,217.26	xx.xx	xx.xx	xx.xx
E	1,487.76	xx.xx	xx.xx	xx.xx
F	1,758.26	xx.xx	xx.xx	xx.xx
G	2,028.77	xx.xx	xx.xx	xx.xx
H	2,434.52	xx.xx	xx.xx	xx.xx

Being the amounts given by multiplying the amounts at paragraph c (iv) and c (vi) above by the number which, in the proportion set out in section 5 (1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with section 36 (1) of the Act, as the amount to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

- (viii) That it be noted that for the year 2016/17 the Thames Valley Police Authority precept has been provisionally increased by x% in line with initial discussions. The following amounts are stated in accordance with section 40 of the Act, for each of the categories of dwellings shown below:

Band	Office of the Police and Crime Commissioner (OPCC) for Thames Valley £
A	xx.xx
B	xx.xx
C	xx.xx
D	xx.xx
E	xx.xx
F	xx.xx
G	xx.xx
H	xx.xx

These precepts have not been formally proposed or agreed by the Thames Valley Police Authority and may be revised when agreed.

- (ix) That it be noted that for the year 2016/17 the Royal Berkshire Fire Authority has provisionally stated x as the following amount in precept issued to the Council, in accordance with section 40 of the Act, for each of the categories of dwellings shown below: As in previous years no increase is assumed

Band	Royal Berkshire Fire Authority £
A	XX.XX
B	XX.XX
C	XX.XX
D	XX.XX
E	XX.XX
F	XX.XX
G	XX.XX
H	XX.XX

These precepts have not been formally proposed or agreed by the Royal Berkshire Fire Authority and may be revised when agreed.

- (x) Note that arising from these recommendations, and assuming the major precepts are agreed, the overall Council Tax for Slough Borough Council including the precepting authorities will be as follows:

Band	Slough £	Office of the Police and Crime Commissioner (OPCC) for Thames Valley £	Royal Berkshire Fire Authority £	TOTAL £
A	811.51	XX.XX	XX.XX	XX.XX
B	946.76	XX.XX	XX.XX	XX.XX
C	1,082.01	XX.XX	XX.XX	XX.XX
D	1,217.26	XX.XX	XX.XX	XX.XX
E	1,487.76	XX.XX	XX.XX	XX.XX
F	1,758.26	XX.XX	XX.XX	XX.XX
G	2,028.77	XX.XX	XX.XX	XX.XX
H	2,434.52	XX.XX	XX.XX	XX.XX

- (xi) That the Section 151 Officer be and is hereby authorised to give due notice of the said Council Tax in the manner provided by Section 38(2) of the 2012 Act.
- (xii) That the Section 151 Officer be and is hereby authorised when necessary to apply for a summons against any Council Tax payer or non-domestic ratepayer on whom an account for the said tax or rate and arrears has been duly served and who has failed to pay the amounts due to take all subsequent necessary action to recover them promptly.
- (xiii) That the Section 151 Officer be authorised to collect (and disperse from the relevant accounts) the Council Tax and National Non-Domestic Rate and that whenever the office of the Section 151 Officer is vacant or the holder thereof is for any reason unable to act, the Chief Executive or such other authorised post-holder be authorised to act as before said in his or her stead.
- (xiv) The above figures assume a council tax freeze for the Royal Berkshire Fire Authority. If this is not the case this report requests the Section 151 or nominated officer be authorised to adjust the council tax charges in line with final figures in consultation with the leader and leader of the opposition

Fees and Charges –

- (d) That the Cabinet resolves to increase Fees and charges as outlined in Appendix F for 2016/17 as follows:
 - (i) An increase to the court costs figures from **£129 to £152**
 - (ii) Charge VAT on local land searches
 - (iii) Further changes as highlighted in appendix F

Pay Policy –

- (e) That the Pay Policy outlined in Appendix O be noted for Council approval.

93. Business Rates Policy Changes

A report was considered which sought approval of the Business Rates related policies. It was noted that no amendments were proposed for 2016-17 for a number of policies, as set out in paragraph 5.1 of the report.

Some changes were proposed in relation to Rate Relief for Properties that are Partially Unoccupied for a Temporary Relief. These were set out in Appendix

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A to the report and was intended to bring the policy into line with the Five Year Plan.

The Cabinet approved the proposed policy changes, noted the policies that would remain unchanged and also noted the reliefs that would be ended as per the Chancellor's Autumn Statement.

Resolved –

- (a) That the Business Rates policies included in Appendix A to the report be approved.
- (b) That the reliefs which have ended be noted as detailed in the report.

94. Localism Act 2011, Sections 87-108

A report was considered which proposed an amendment to the application process relating the community right to bid for an asset of community value introduced in April 2013.

The Cabinet had approved the application process in April 2013, however, the process included provision for a nominator of an asset of community value to appeal against the Council decision, which was a provision not included in the Localism Act 2013 Section 87-108. A revised application process, at Appendix B to the report, was therefore recommended.

After due consideration, the Cabinet agreed to approve the amendment and adopt Appendix B as the process for including an asset in the Register.

Resolved – That the amendment be approved that removes the avenue for a Nominator to appeal the decision taken by the Head of Asset Management in approving/rejecting a nomination of an asset of community value.

95. References from Overview & Scrutiny

Councillor Ajaib, Chair of the Casework Task & Finish Group, introduced a report which detailed a series of recommendations designed to improve the Members' casework process. The report had been approved by the Overview & Scrutiny Committee on 20th January 2016.

The current software system had not been upgraded for a significant period of time and it had limited functionality which made it difficult to log, track and respond to casework in a timely and efficient manner. The recommendations were outlined as follows:

1. *That the possibility of a system upgrade be investigated, with the system requiring the following elements to justify its procurement;*
 - *The ability to act as a central repository for casework, from submission to completion or final decision;*

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- *The ability to be interrogated by officers, allowing previous cases on the same policy matters to be found and used in decision making;*
 - *The ability to be accessed via Councillors' iPads; and*
 - *The ability to be accessed by residents via the Slough Borough Council (SBC) website to track the progress of their cases.*
2. *For any such system to include automated escalation points, whereby inaction by an established deadline would cause responsible officers to receive an alert;*
 3. *SBC officers be asked to establish previous decisions made in comparable cases where applicable, in order to avoid any inconsistencies in decisions made, actions taken or advice given to residents;*
 4. *SBC officers to ensure that final responses are sent to residents, with the relevant Councillor copied into the response. Councillors are to be made aware that this is the standard procedure and should not act as spokespeople for decisions made by officers; and*
 5. *In cases where the decision made or the action taken has an impact across their ward, Councillors are to inform other Councillors in that ward.*

The Cabinet welcomed the Task & Finish Group report and recognised the importance of ensuring the casework process and software system was able to deal effectively with issues raised by residents. The complaints process and digital interaction with residents was a wider project for the medium term, however, the Cabinet agreed that there was an opportunity to improve the casework process and system as a short term priority, in particular:

- Process – to provide more consistent standards and timely responses to casework from across Council departments, and ensuring much better feedback to Members and residents on progress.
- IT system - the software options should be investigated to provide simple, mobile access to enable Members to log and track casework.

The Cabinet felt that designing the right processes and procedures was the first step to be followed by identifying the software best able to meet that specification. It was agreed to ask the Task & Finish Group to continue its good work by re-convening to take forward implementation of the recommendations.

Resolved –

- (a) That the report of the Casework Task & Finish Group be welcomed and the recommendations be endorsed in principle.

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- (b) That the Task & Finish Group, working with the Commissioner for Performance & Accountability, re-convene to take forward implementation of the recommendations, including both the short term improvements that could be made to the casework process and investigation of the most appropriate IT system.

96. Notification of Forthcoming Decisions

Resolved – That the published Notification of Decisions for the period between February to April 2016 be endorsed.

Chair

(Note: The Meeting opened at 6.36 pm and closed at 8.23 pm)