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Hinckley & Bosworth
Borough Council

Bill Cullen MBA (ISM), BA(Hons) MRTPI
Chief Executive

Date: 25 September 2019

To: **Members of the Scrutiny Commission**

Mr MR Lay (Chairman)
Mr C Ladkin (Vice-Chairman)
Mr P Williams (Vice-Chairman)
Mr JMT Collett
Mr DS Cope
Mrs MJ Crooks

Mr SM Gibbens
Ms A Pendlebury
Mr MC Sheppard-Bools
Mr R Webber-Jones
Mr HG Williams

Copy to all other Members of the Council

(other recipients for information)

Dear Councillor,

There will be a meeting of the **SCRUTINY COMMISSION** in the De Montfort Suite, Hinckley Hub on **THURSDAY, 3 OCTOBER 2019** at **6.30 pm** and your attendance is required.

The agenda for the meeting is set out overleaf.

Yours sincerely

A handwritten signature in black ink, appearing to read 'R Owen'.

Rebecca Owen
Democratic Services Manager

Fire Evacuation Procedures

- On hearing the fire alarm, leave the building **at once** quickly and calmly by the nearest escape route (indicated by green signs).
- *There are two escape routes from the Council Chamber – at the side and rear. Leave via the door closest to you.*
- Proceed to **Willowbank Road car park**, accessed from Rugby Road then Willowbank Road.
- **Do not** use the lifts.
- **Do not** stop to collect belongings.

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At HBBC we are open and transparent about how we make decisions. We allow recording, filming and photography at all public meetings including Council, the Executive and Planning Committee as long as doing so does not disturb or disrupt the proceedings. There may occasionally be some reports that are discussed in private session where legislation requires this to happen, but this is infrequent.

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Use of mobile phones

To minimise disturbance to others attending the meeting, please switch off your phone or other mobile device or turn it onto silent or vibrate mode.

Thank you

SCRUTINY COMMISSION - 3 OCTOBER 2019

A G E N D A

1. APOLOGIES AND SUBSTITUTIONS
2. MINUTES (Pages 1 - 2)
To confirm the minutes of the meeting held on 22 August 2019.
3. ADDITIONAL URGENT BUSINESS BY REASON OF SPECIAL CIRCUMSTANCES
To be advised of any additional items of business which the Chairman decides by reason of special circumstances shall be taken as matters of urgency at this meeting.
4. DECLARATIONS OF INTEREST
To receive verbally from members any disclosures which they are required to make in accordance with the Council's code of conduct or in pursuance of Section 106 of the Local Government Finance Act 1992. **This is in addition to the need for such disclosure to be also given when the relevant matter is reached on the agenda.**
5. QUESTIONS
To hear any questions in accordance with Council Procedure Rule 12.
6. HINCKLEY HEALTH SERVICES REVIEW (Verbal Report)
Representatives of the CCG will provide an update to members.
7. COUNCIL TAX - LOCAL DISCOUNTS AND PREMIUMS (Pages 3 - 12)
To seek approval for changes to the council tax discounts and premiums in operation.
8. HOUSING ALLOCATIONS POLICY (To Follow)
To provide a briefing on the housing allocations policy.
9. SCRUTINY COMMISSION WORK PROGRAMME 2019-2021
To agree priorities following a survey of members.
10. MINUTES OF FINANCE & PERFORMANCE SCRUTINY (Pages 13 - 14)
Minutes of meeting held on 19 August attached for information.
11. ANY OTHER ITEMS OF BUSINESS WHICH THE CHAIRMAN DECIDES HAVE TO BE DEALT WITH AS MATTERS OF URGENCY
As announced under item 3.

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Agenda Item 2

HINCKLEY AND BOSWORTH BOROUGH COUNCIL

SCRUTINY COMMISSION

22 AUGUST 2019 AT 6.30 PM

PRESENT: Mr MR Lay - Chairman
Mr C Ladkin and Mr P Williams – Vice-Chairman

Mr JMT Collett, Mrs MJ Crooks, Mr DJ Findlay (for Mr SM Gibbens), Mrs LJ Mullaney (for Mr DS Cope), Ms A Pendlebury, Mr MC Sheppard-Bools and Mr HG Williams

Also in attendance: Councillor KWP Lynch and Councillor K Morrell

Officers in attendance: Jenny Brader, Valerie Bunting, Rebecca Owen and Sharon Stacey

123 APOLOGIES AND SUBSTITUTIONS

Apologies for absence were submitted on behalf of Councillors Cope, Gibbens and Webber-Jones with the following substitutions authorised in accordance with council procedure rule 10:

Councillor Findlay for Councillor Gibbens
Councillor L Mullaney for Councillor Cope.

124 MINUTES

In considering the minutes of the previous meeting, it was noted that Councillor Walker had been omitted from the list of attendees. It was moved by Councillor H Williams, seconded by Councillor P Williams and

RESOLVED – the minutes of the previous meeting be confirmed and signed by the chairman subject to the abovementioned amendment.

125 DECLARATIONS OF INTEREST

Councillor Pendlebury declared a personal interest in the planning appeals update as she had been involved in the campaign against the Big Pit development.

Whilst not on the committee, Councillor Lynch declared a personal interest in the VCS commissioning outcomes report as president of the Leicestershire & Rutland which was in receipt of funding.

126 VCS COMMISSIONING OUTCOMES 2017/18

The Scrutiny Commission received a report and presentations from several community groups who had benefitted from the Voluntary & Community Sector (VCS) commissioning arrangements. The large amount of work carried out on relatively small amounts of money was commended and a report on the work over the last seven years was requested.

RESOLVED –

- (i) the work undertaken be commended;

- (ii) a report on the benefits of the arrangements over the past seven years be brought to a future meeting.

127 PLANNING APPEALS UPDATE

Members received an update on planning appeals. It was highlighted that the key reason for the report – the outcome of appeals against officer recommendation, had been omitted. Officers agreed to send out the omitted appendix. It was requested that the costs awarded in relation to the Big Pit appeal be circulated when known.

RESOLVED – the report be noted.

128 ANNUAL REPORT ON AFFORDABLE HOUSING DELIVERY

Consideration was given to the annual report on affordable housing delivery in the borough. In response to concerns of members, it was noted that the authority was now more robust in defending viability.

RESOLVED – the report be noted and the work undertaken be acknowledged.

129 SCRUTINY COMMISSION WORK PROGRAMME 2019-2021

The outcomes of the workshop on 4 July were considered and it was agreed that members would be requested to indicate their priorities via email, following which the chair, vice-chairs and officers would formulate a work programme and consider resourcing for each issue.

(The Meeting closed at 7.46 pm)

CHAIRMAN



Hinckley & Bosworth Borough Council

FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

SCRUTINY COMMISSION
COUNCIL

3 October 2019
5 November 2019

WARDS AFFECTED: All Wards

COUNCIL TAX – LOCAL DISCOUNTS AND PREMIUMS

Report of Head of Finance

1. PURPOSE OF REPORT

- 1.1 To seek approval for changes to the council tax discounts and premiums in operation at the Council,

2. RECOMMENDATION

- 2.1 That Council members approve:
- the increased premium charge for long-term empty properties to 100% for 2020/21), and the maximum allowed under legislation where possible up to 300% for properties empty more than ten years,
 - that the major repairs discount is reduced from 50% to zero, and
 - that the one month empty property discounts be removed

3. BACKGROUND TO THE REPORT

- 3.1.1 In April 2013 the Council introduced changes to discounts and premiums for Council Tax in respect of empty properties. At the same time there was the introduction of a new local Council Tax Reduction Scheme that replaced the national council tax benefit scheme.

This involved the following actions:

- Removal of Second Home 10% discount
- Empty and unfurnished properties a reduction from 100% relief from 6 months to 1 month
- Properties undergoing major structural repairs discount reduced from 100% to 50% for a period of up to 12 months.

3.2 However, HBBC did not introduce a charge for a premium on long-term empty properties, which could have been charged at 50% at the time. Currently there are 156 long-term empty properties in the Borough. To create an incentive to move these properties from empty to occupied, it is proposed to introduce a 100% premium charge on long-term empty properties as from 1 April 2020 for the 2020/21 financial year. The premium could potentially increase overall Council Tax collected by £0.26m, HBBC's share being approximately £20,000.

3.3 Central Government have announced their intention to make further changes to the level of premium that could be levied on such properties to encourage them being brought back into occupation. The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 received Royal Assent on 1 November 2018 ("The 2018 Act") and contains changes to allow for councils to charge:

- 100% premiums from April 2020,
- 100% premiums from April 2021, 200% for properties empty for over 5 years,
- 100% premiums from April 2022, 200% for properties empty for over 5 years, and 300% for over 10 years.

3.4 The following guidelines will be considered in the application of this premium. The premium must not be applied:

- where homeowners can demonstrate that their properties are genuinely on the market for sale or rent,
- in cases of hardship.
- the taxpayer has gone into care or hospital, is severely mentally impaired or has gone elsewhere to provide care,
- is living elsewhere in armed forces accommodation for job-related purposes,
- has died and probate has yet to be granted, or
- on annexes being used as part of a main property.

3.5 As well as the Council wishing to reduce the number of long-term empty properties, Leicestershire County Council has asked all Districts to assess what it can do to increase Council Tax income by harmonising the discounts and premiums being applied. The two being considered by this report for the council are removal of the:

- 50% major repairs discount for properties not inhabitable when the work is being completed, and

- 100% one-month empty discount.
- 3.6 If the discount for major repairs is removed, total Council tax collected will increase by £48,006 based on the 2018/19 tax charge. This income is based on the assumption that the level of major repairs remains unchanged. HBBC's share will be £3,600.
- 3.7 There is also the potential to remove the one-month empty discount. If this were removed the income generated is expected to be £18,807. HBBC's share will be £1,410.

4. EXEMPTIONS IN ACCORDANCE WITH THE ACCESS TO INFORMATION PROCEDURE RULES

- 4.1 Report to be taken in open session

5. FINANCIAL IMPLICATIONS (AW)

- 5.1 The main intention behind the change to Long term empty property premium charges is to encourage homes to be put back into use, The table below assume no change in the number of empty properties, but this may reduce if the introduction of the charge is successful in reducing the number of empty properties. The other income changes also included as noted in the report. The tables below give the potential increases in total Council Tax collected and the amount that relates to HBBC based on 2018/19 Council Tax levels for 156 long term empty properties.

	Total C Tax collected	HBBC Share	Total C Tax collected (Ave per Property)	HBBC Share (Ave per Property)
Long term Empty homes premium (100%)	£261,441.04	£19,608.08	£1,675.90	£125.69
Removal of Major Repairs Discount	£48,007.32	£3,600.54	£307.74	£23.08
Removal of one month discount	£18,807.28	£1,410.54	£120.56	£9.04
Total	£328,255.64	£24,619.18		

6. LEGAL IMPLICATIONS (MR)

- 6.1 Under section 13A of the Local Government Finance Act 1992 ("LGFA 1992") the council has a general discretionary power to reduce liability for council tax in relation to individual cases or class(es) of cases that it may determine
- 6.2 Section 12 of Local Government Finance Act 2012 inserted a new section 11B in the LGFA 1992 which provided that the billing authority

could charge council tax liability up to 150% for property that has been empty and substantially unfurnished for more than 2 years.

6.3 The 2018 Act has introduced changes to section 11B as outlined in the report

7. CORPORATE PLAN IMPLICATIONS

7.1 To ensure the Council's governance arrangements are robust

8. CONSULTATION

8.1 All precepting authorities in the Leicestershire, no were concerns raised. The Residents focus group were surveyed, 2210 were asked to respond, 476 responded. The table below give a summary of the responses, with more detail in Appendix 1.

Questions	Overall		Own Empty		Do not own		
	For	Against	For	Against	For	Against	
Do you agree that owners of long-term empty properties should pay additional premiums on their council tax as proposed, from 01 April 2020?	84.00%	16.00%	65.91%	34.09%	85.42%	14.58%	
Properties which are under major and/or structural repairs currently receive a discount of 50% (up to 12 months) on their Council Tax. Hinckley and Bosworth Borough Council is proposing from 01 April 2020, to remove this discount, do you agree ?	43.00%	57.00%	38.29%	61.36%	43.29%	56.71%	
Hinckley and Bosworth Borough Council currently allow one month council tax discount at 100% for properties which are empty for a one period month. We are proposing from 01 April 2020, to remove this discount, do you agree?	41.00%	59.00%	34.09%	65.91%	41.67%	65.91%	

9. RISK IMPLICATIONS

9.1 It is the council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

9.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

9.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
None		

10. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

Various reliefs are available for council tax under national and local regulations.

11. CORPORATE IMPLICATIONS

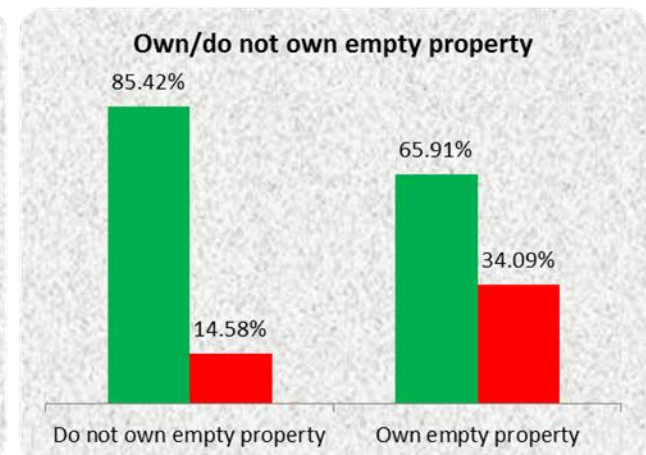
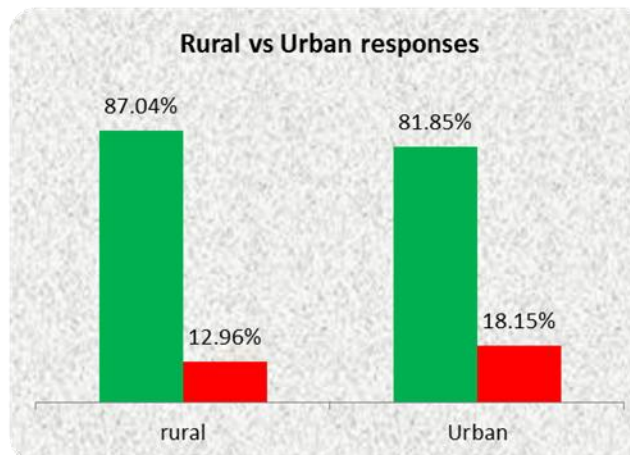
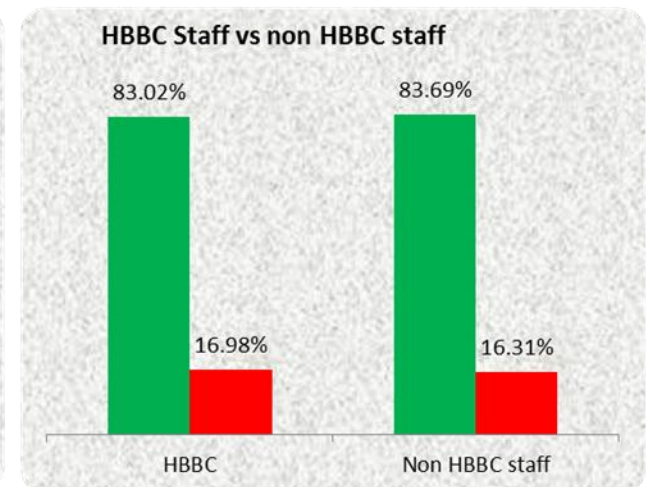
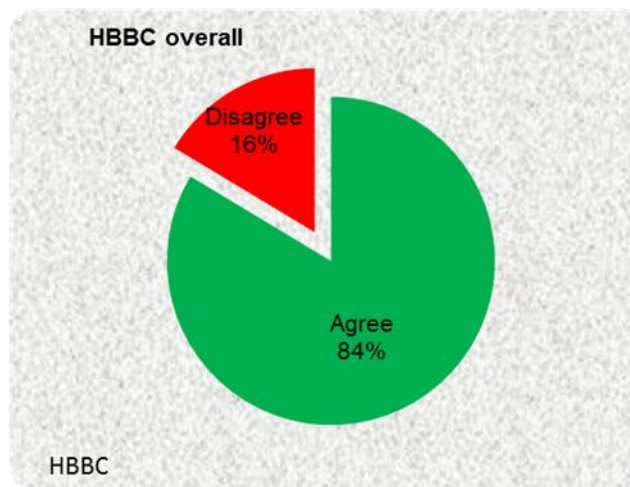
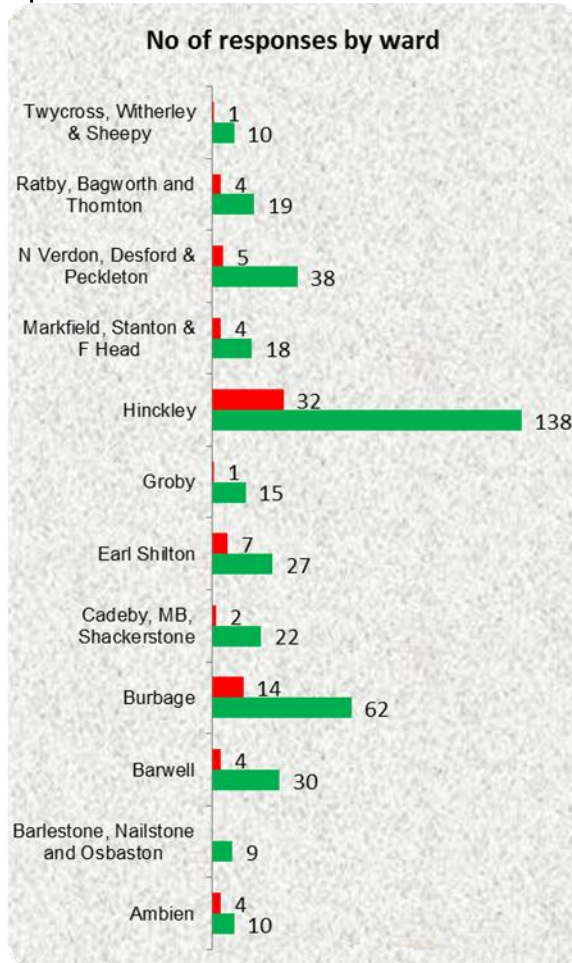
By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Human Resources implications
- Planning Implications
- Voluntary Sector

Background Papers: Revenues and Benefits Monitoring Reports
 Author: Ashley Wilson, Head of Finance Ext 5609
 Executive Member: Cllr K Lynch.

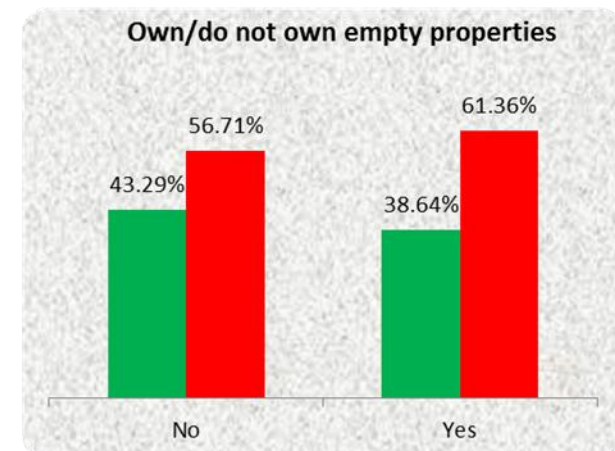
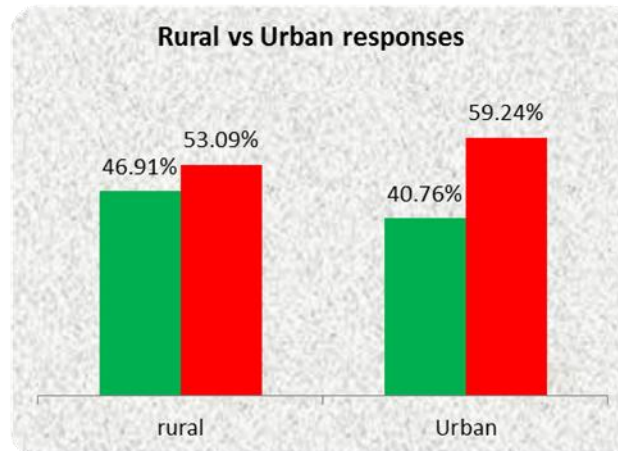
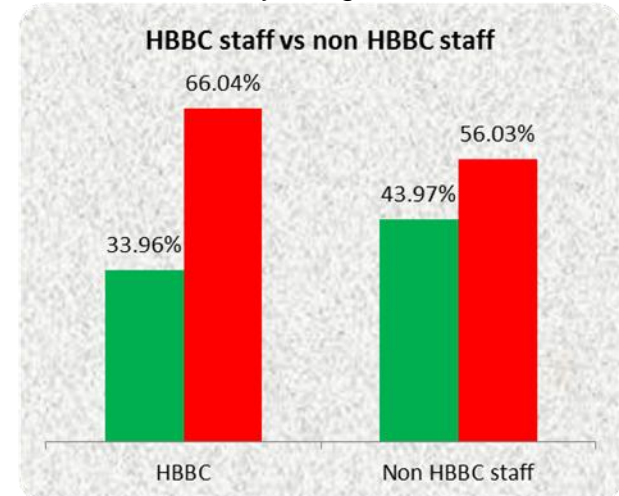
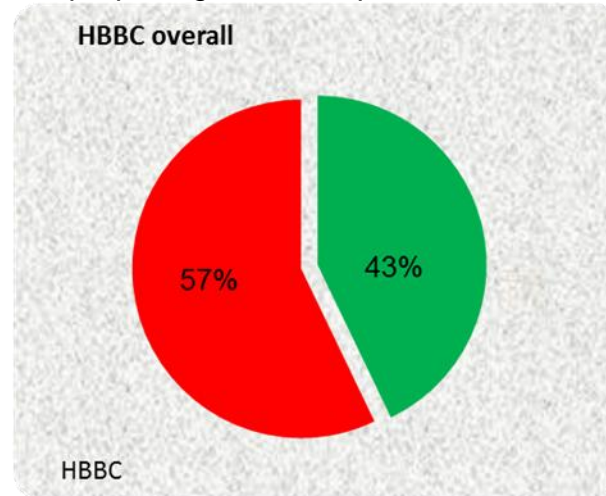
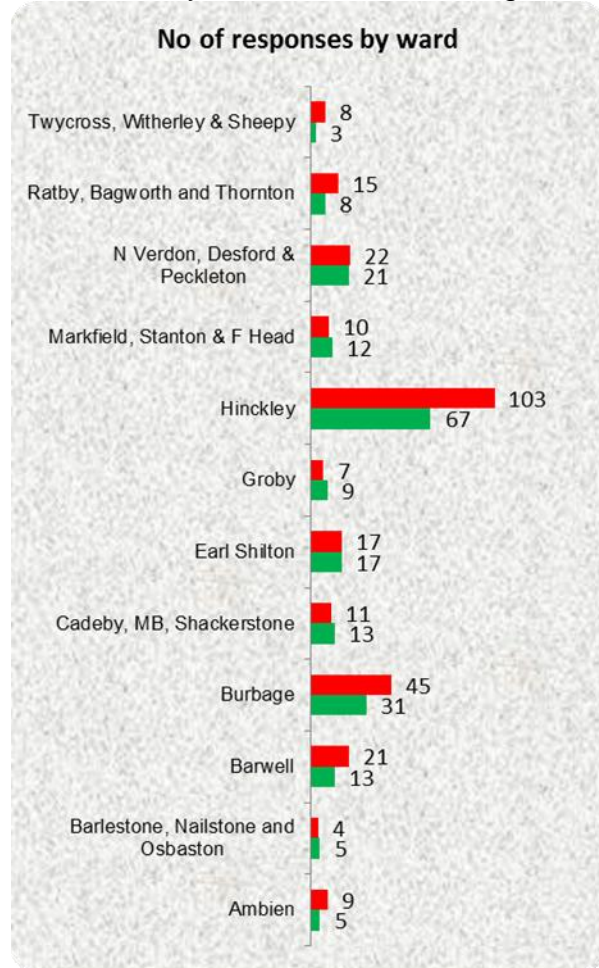
Appendix 1: Survey results

Do you agree that owners of long-term empty properties should pay additional premiums on their council tax as proposed, from 01 April 2020?



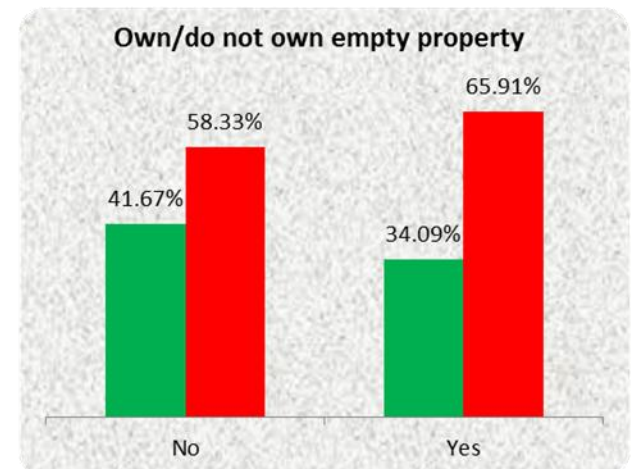
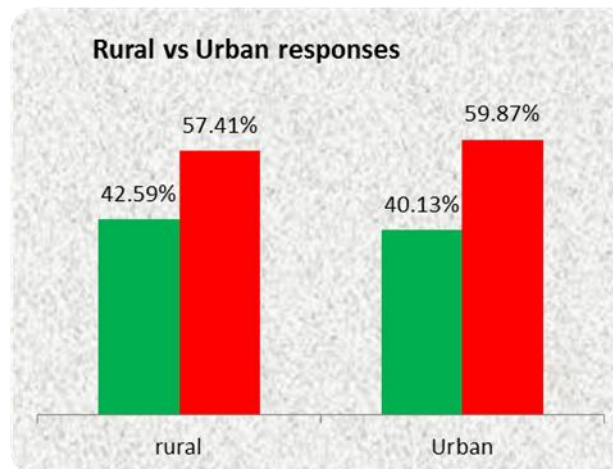
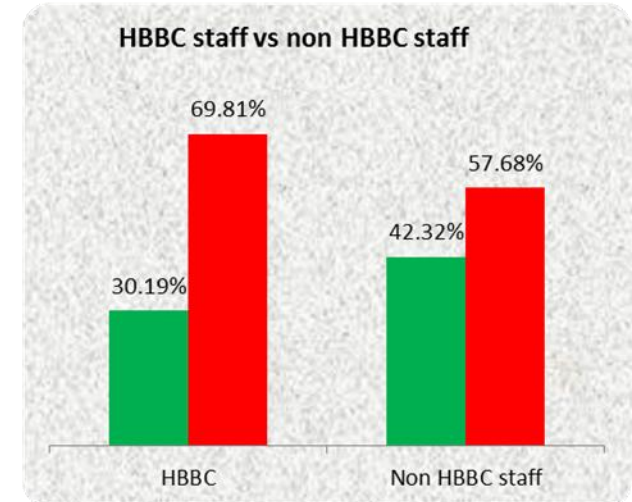
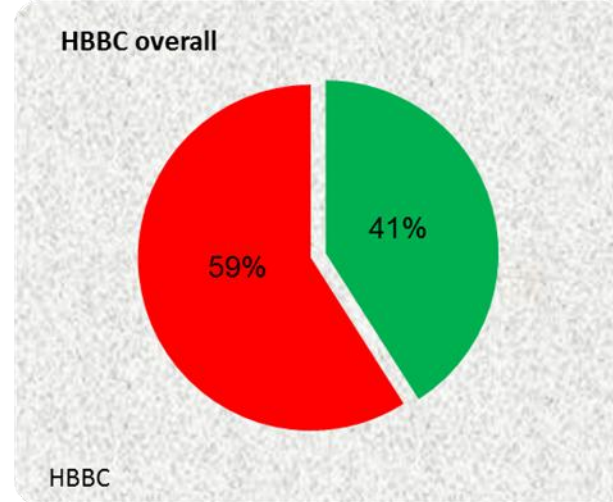
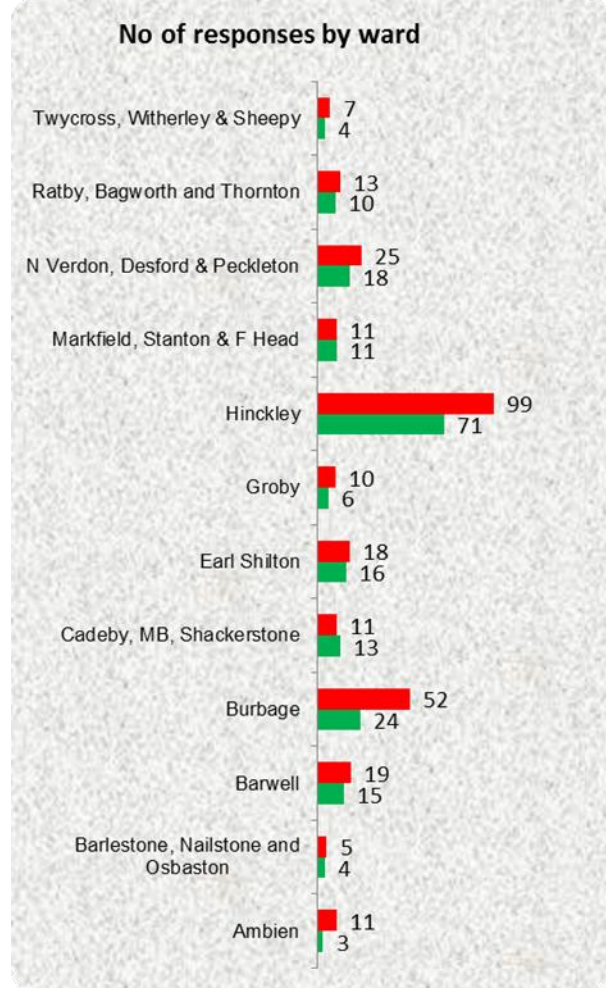
Appendix 1: Survey results

Properties which are under major and/or structural repairs currently receive a discount of 50% (up to 12 months) on their Council Tax. Hinckley and Bosworth Borough Council is proposing from 01 April 2020, to remove this discount, do you agree ?



Appendix 1: Survey results

Hinckley and Bosworth Borough Council currently allow one month council tax discount at 100% for properties which are empty for a one period month. We are proposing from 01 April 2020, to remove this discount, do you agree?



Appendix 1: Survey results

Mode of invite	How many invited	Returned	Response rate
Email (Mailchimp)	1,662	344	20.70%
Direct mail (Citizens Panel)	124	79	63.71%
HBBC staff	424	53	12.50%
Totals	2,210	476	21.54%
Confidence level (95%) - HBBC overall			
Margin of error			
No of residents:	111370		
No of responses	476		
Margin of error	5%		
Confidence level (95%) - Rural			
No of residents:	42541		
No of responses	162		
Margin of error	8%		
Confidence level (95%) - Urban			
No of residents:	68829		
No of responses	314		
Margin of error	6%		

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HINCKLEY AND BOSWORTH BOROUGH COUNCIL

FINANCE & PERFORMANCE SCRUTINY

19 AUGUST 2019 AT 6.30 PM

PRESENT: Mr C Ladkin - Chairman
Mr P Williams – Vice-Chairman
Mr JMT Collett, Mrs MJ Crooks (for Mr DS Cope), Mr SM Gibbens, Mr K Morrell,
Mrs LJ Mullaney, Mr MC Sheppard-Bools and Mr R Webber-Jones

Members in attendance: Councillors Mr KWP Lynch

Officers in attendance: Tan Ashraf, Rebecca Owen and Ashley Wilson

105 APOLOGIES AND SUBSTITUTIONS

Apologies for absence were submitted on behalf of Councillor Cope with the substitution of Councillor MJ Crooks authorised in accordance with council procedure rule 10.

106 MINUTES OF PREVIOUS MEETING

It was moved by Councillor P Williams, seconded by Councillor Sheppard-Bools and

RESOLVED – the minutes of the meeting held on 24 June be confirmed and signed by the chairman.

107 DECLARATIONS OF INTEREST

No interests were declared.

108 PERFORMANCE AND RISK MANAGEMENT FRAMEWORK 1ST QUARTER SUMMARY FOR 2019/20

Members received the first quarter outturn report in relation to performance indicators, service improvement plans, corporate risks and service area risks. During discussion, the previous points were raised:

- Historical data should be provided to show performance over time
- The risk information should outline the actual risk and the likelihood and impact of it
- The financial implications of the ICT-related risks should be highlighted
- The report should be more user-friendly with fewer acronyms and jargon.

Some members expressed concern about the changes to targets, particular where the target was lower than the previous year's outturn (for example, leisure centre footfall). Officers asked members to let them know of particular target changes that they wished to receive further information on.

RESOLVED – the report be noted and abovementioned comments be taken into consideration.

109 FINANCIAL OUTTURN JUNE 2019

The financial outturn position at the end of the first quarter was presented to the group. There was discussion on the way the figures were presented when taken from reserves

in terms of showing negatively or positively. Some concerns about unknown costs were discussed, including fair funding, business rates and the government's suggestion of mandatory food waste collection.

It was suggested that another session be arranged for members to look at local government finance.

RESOLVED – the report be noted.

110 TREASURY MANAGEMENT QUARTER 1 2019/20

Consideration was given to the council's treasury management activity in the first quarter of 2019/20.

RESOLVED – the report be noted.

111 BUSINESS RATES AND POOLING UPDATE QUARTER 1 - 2019/20

Members received a report on business rates performance. It was anticipated that county councils may be favoured over districts in the business rates review due to their need to fund social care. It was felt that a one year settlement may be announced in advance of permanent arrangements.

RESOLVED – the report be noted.

112 SUNDRY DEBTS - QUARTER 1 - 2019/2020

Consideration was given to the position on sundry debts.

RESOLVED – the report be noted.

(The Meeting closed at 7.45 pm)

CHAIRMAN