

# COUNCIL

**18 FEBRUARY 2020**

**PRESENT:**

Councillors Powell (Chairman), Cross (Vice-Chair), Anketell, Baker, Banevicius, Binney, Brown, Birch, Checkland, Cox, Eadie, Eagland, L Ennis, Evans, Grange, Greatorex, Gwilt, Ho, Humphreys, Lax, A Little, E Little, Marshall, Matthews, Norman, Pullen, Ray, Robertson, Silvester-Hall, Smith, Spruce, Strachan, Tapper, Warburton, Warfield, Westwood, White, M Wilcox, A Yeates and B Yeates

**61 APOLOGIES FOR ABSENCE (IF ANY)**

Apologies for absence were received from Councillors Ball, Barnett, D Ennis, Leytham, Parton-Hughes and S Wilcox.

**62 DECLARATIONS OF INTEREST**

There were no declarations of interest.

**63 TO APPROVE AS A CORRECT RECORD THE MINUTES OF THE PREVIOUS MEETING**

The Minutes of the meeting held on 10 December 2019 were approved as a correct record.

**64 CHAIRMAN'S ANNOUNCEMENTS**

**(a) Civic Lunch**

The Chairman reminded Members that his Lunch would be held on 8 March.

**(b) Former Councillor Ray Snelling**

The Council held a Minutes Silence for former Councillor Ray Snelling who had sadly passed away on 6 February.

Councillors Norman and Cox paid tribute to former Councillor Snelling who had represented Armitage and Handsacre Ward from 1995 – 2003.

**65 REPORT OF THE LEADER OF THE COUNCIL ON CABINET DECISIONS FROM THE MEETING HELD ON 11 FEBRUARY AND CABINET MEMBER DECISIONS**

The report of the Leader of the Council was received.

**66 MINUTES OF THE ECONOMIC GROWTH, ENVIRONMENT & DEVELOPMENT (OVERVIEW & SCRUTINY) COMMITTEE**

Councillor Cox submitted the Minutes of the Economic Growth, Environment and Development (Overview & Scrutiny) Committee meetings held on 17 December 2019 and 21 January 2020

## **18 – Lichfield City Centre Master Plan**

Councillor Westwood said the wording of Minute 18 should clarify that ‘the focus should be *less financial* and more on housing needs.’

Councillors Westwood and Evans questioned the progress made on development and investment plans for Burntwood and reference was made to previously suggested funding proposals.

Councillor Cox said it was an important issue and for this reason Burntwood had been included on the agenda and work programme of the Committee.

Councillor Eadie advised he would be taking an update to the Committee following the latest Burntwood Town Deal meeting. He said it was wrong to suggest that Burntwood had not received investment, citing improvements to Burntwood Leisure Centre. He also noted that the Council had pledged support in setting up the Burntwood Business Improvement District. Councillor Eadie said the Council would be ready to consider fully costed plans and had already made contact with Burntwood Town Council regarding parks.

## **23 – Economic Impact of Events and Festivals in Lichfield City**

Reference was made to street trading and the potential to increase the utilisation of market square on non-market days. It was confirmed that the land was owned and managed by Lichfield City Council.

Councillor Norman asked why the report only considered Lichfield City and not the District. Councillor Cox said its purpose was to consider specific impacts of events on the City and address concerns of existing businesses. He said if there were events elsewhere in the District that were potentially having an impact on businesses the Committee would also look at that.

Councillor White reminded members of the Infrastructure Delivery Plan which referenced a number of projects in Burntwood. He said this illustrated an even handed approach across the District and the narrative of resentment was not supported by the evidence.

## **67 MINUTES OF THE STRATEGIC (OVERVIEW AND SCRUTINY) COMMITTEE**

Councillor Norman submitted the Minutes of the Strategic (Overview & Scrutiny) Committee held on 28 January 2020.

Councillor Ray asked if the proposed increase in council tax and reserves had been discussed. Councillor Norman advised that this had not been discussed in detail since setting the Council tax setting was a matter for Council.

## **68 MINUTES OF THE STRATEGIC ASSET MANAGEMENT COMMITTEE**

Councillor Eadie submitted the Minutes of the Strategic Asset Management Committee held on 28 November 2019

## **9 – Presentation: An Introduction to Public Sector PLC (PSP)**

In response to a request from Councillor Norman, Councillor Eadie confirmed that slides of the presentation would be sent to all Members.

## **11 – Update on Lichfield Housing Limited**

Councillor Robertson referred to the high the cost of housing in Lichfield District and the number of people in in hardship and poverty. He said the free market was not working.

## **69 MINUTES OF THE PLANNING COMMITTEE**

It was proposed by Councillor Marshall, duly seconded and

**RESOLVED:** That the Minutes of the meetings held on 16 December 2019 and 13 January 2020 be approved and adopted.

## **70 MINUTES OF THE AUDIT & MEMBER STANDARDS COMMITTEE**

It was proposed by Councillor Greatorex, duly seconded and

**RESOLVED:** That the Minutes of the meeting held on 5 February 2020 be approved and adopted.

## **71 STRATEGIC PLAN 2020-2024**

Councillor Smith submitted the Council's Strategic Plan 2020-2024.

It was proposed by Councillor Smith, seconded by Councillor Pullen and

**RESOLVED:** That the Strategic Plan 2020 – 2040 be approved and adopted.

## **72 MEDIUM TERM FINANCIAL STRATEGY**

Councillor Strachan presented the Medium Term Financial Strategy (Revenue and Capital) 2019 -2024 (MTFS) and Council Tax Resolution 2020-21.

Councillor Strachan thanked the Head of Finance and Procurement and his team for their work in preparing the strategy and his predecessor Councillor Spruce for his prudent approach which had stood the Authority in good stead.

Councillor Strachan placed the MTFS in it national context, noting that it was the 8th year of austerity for local government finance with the revenue support grant falling from over £3 million annually in 2009-10 to nothing.

Furthermore, the ability to raise capital from council tax had been capped by central government for the 4th consecutive year and the business rates pilot which enabled 75% of business rates collected in the District to be spent in the District had been closed by the government.

Although a multi-year comprehensive spending review was expected in the Autumn this was little help for the current MTFS. Therefore the Council would need to budget for a four year period with only 13 months financial visibility.

Councillor Strachan set out what was currently known and the main areas of uncertainly. He reminded Members that in view of the uncertainly, the Council had approved a cautious set of guiding principles and assumptions, restricting Council spending and prioritising efficiencies. The MTFS had been based on these principles and reported through Scrutiny and Cabinet.

Consideration was given to the provisional settlement figures set out in the report that had been confirmed as the final settlement on 6 February. Councillor Strachan noted the Council tax referendum limit, the cessation of the new homes bonus and the abolition of the business rate pilot. He said he was grateful that there would be no negative revenue support during the financial year.

Councillor Strachan forecasted a contribution of £1.5 million during the first year of the MTFS. This would give the Council £6.4 million of useable general reserves to face the uncertainty ahead. He noted that with business rates changes and the forthcoming fair funding, two funding lifelines were at risk. Furthermore, the funding pressures faced by the County Council in connection with adult social care looked likely to place further pressure on District Councils.

As a consequence of difficult choices, Councillor Strachan said he was proposing an increase of £5 (2.8%) on a Band D property, bringing the annual council tax due on a Band D property to £180.07. This represented 9.8% of the total council tax bill.

Councillor Strachan said without drastic change reserves would be spent by 2026-7 and services would still need to be delivered but increases in the cost of doing so would outstrip the ability to raise capital. The need to adopt a far more commercial attitude had informed the capital programme and some benefits were already being realised.

Councillor Strachan said he was pleased that the then Minister, Rishi Sunak, had declined to confirm at a select Committee meeting that he saw council's role as only performing statutory duties. Councillor Strachan said discretionary service helped make the District a great place to be, whether it was parks and open spaces, the Garrick Theatre, Leisure Centres or events the Council facilitated. That's why the capital programme contained a commitment to improving community facilities, helping people feel safe and secure in their own homes and not only refurbishing but also replacing Friary Grange Leisure Centre. 100k had also been approved to start the work of mitigating or reducing the Council's carbon footprint. Strategic investments would also be made, not only to provide a return but to drive economic growth across the District. The Council would also invest to shape places through the city centre master planning process, works on the Birmingham road site and the emergent local plan and would seek to protect towns and villages and safeguard green space.

Councillor Strachan concluded saying the MTFS delivered statutory services and maintained discretionary services that improved the quality of life for residents. It represented careful and prudent decisions in a challenging financial environment. Councillor Strachan then formally moved that the MTFS (Revenue and Capital) 2019-24 and the Council Tax Resolution 2020 be adopted by Council.

Councillor Norman said it was an honest and open report and that no alternative budget would be presented since due to the restraints, there was little room for manoeuvre and this was essentially the government's budget rather than the Council's.

Councillor Norman said initially it was a case of borrow to invest and now it was borrow to survive. He said he did not support giving quarter of a million pounds to the Garrick, especially when it was uncertain what was received in return.

Referring to a funding proposal for Burntwood and the rural areas proposed by the Leader of the Labour Group the previous year, Councillor Norman said he was given some hope by the fact that both Councillor Pullen and Eadie had abstained.

Councillor Eadie drew attention to the projected gap between revenue expenditure and revenue funding as set out in the report and the action that needed to be taken. He emphasised that borrowing was about place shaping and moving the District forward.

Councillor Eadie advised that the Authority needed to become self-sufficient in order to provide services, since there was no intention to borrow for day to day services. Having sufficient reserves would also mean the Authority would be less reliant on borrowing.

Councillor Ray thanked Councillor Strachan for the response he had provided prior to the meeting questioning the need to raise the Council tax while increasing reserves.

Councillor Robertson said austerity was not over and the Council was entering the eighth year, and this had given rise to a lot of uncertainty. He noted that average earnings had only just got back to 2008 levels.

Councillor Pullen seconded the proposal saying it was the Council's budget not the governments. He said there was commitment to a number of discretionary services and a political choice had been made to continue discretionary services including leisure, parks etc.

Councillor Pullen said it was these political decisions that would continue to improve peoples' lives. Once the long term settlement was known decisions could be taken about the future strategy, however no absolutes could be given at the current time. He noted there would be continued lobbying of central government in the meantime.

Councillor Pullen said he did not like raising taxes but for a little over £3 per week per property a vast range of services were provided and the 10p per week increase came with a commitment to climate change, leisure, economic development etc.

Councillor Pullen thanked the Cabinet Member for Finance and Procurement and Officers for the report.

Councillor Strachan said freezing council tax remained an aspiration and the situation would be reviewed each year, however the increase represented the only route for the coming financial year, and not doing so would be an act of self-harm.

In compliance with Statutory Regulations a named vote was then taken and recorded as follows:-

<b>FOR (30)</b>	<b>AGAINST ()</b>	<b>ABSTAIN (10)</b>
ANKETELL		BANEVICIUS
BAKER		BIRCH
BINNEY		BROWN
CHECKLAND		ENNIS, L
COX		EVANS
CROSS		GRANGE
EADIE		NORMAN
EAGLAND		RAY
GREATOREX		ROBERTSON
GWILT		WESTWOOD
HO		

HUMPHREYS		
LAX		
LITTLE, A		
LITTLE, E		
MARSHALL, T.		
MATTHEWS		
POWELL		
PULLEN		
SILVESTER-HALL		
SMITH		
SPRUCE		
STRACHAN		
TAPPER		
WARBURTON		
WARFIELD		
WHITE		
WILCOX, M.		
YEATES, A.		
YEATES, B.		

It was duly:

**RESOLVED:** That the Medium Term Financial Strategy (Revenue and Capital) 2019 -2024 and the Council Tax Resolution 2020-21 as submitted be approved.

### 73 ALLOCATION OF SEATS ON COMMITTEES AND PANELS

It was proposed by Councillor Pullen, seconded by Councillor Eadie and

**RESOLVED:** That the revised allocation of seats on committees and panels reflecting a change to the political balance of the Council be approved.

### 74 AMENDMENTS TO THE CONSTITUTION

Councillor Lax advised that, following a review, the Audit and Member Standards Committee had recommended that the Chairman of the Committee submit an Annual Report to Council in line with CIPFA guidance.

Members noted that due to recent changes to EU procurement limits, the Contract Procedure Rules also needed to be updated.

It was proposed by Councillor Lax, seconded by Councillor Yeates and

**RESOLVED: (1)** That the recommendation of the Audit and Member Standards Committee that the Committee submit a Chairman's Annual Report to Full Council be approved and included in the Constitution.

**(2)** That the amendments to the EU procurement limits and updates to the Contract procedure Rules made under delegation be noted.

### 75 CALENDAR OF MEETINGS

It was proposed, seconded by Councillor E Little and

**RESOLVED:** That the Calendar of Meeting for 2020/2021 as submitted be approved.

### 76 QUESTIONS

#### Q1. Question from Councillor Evans to the Cabinet Member for Communities and Housing

Will the Cabinet Member tell us what progress he has made in persuading his Cabinet colleagues to agree that the new Housing Company should build genuinely affordable housing for rent, rather than housing for sale, which he undertook to discuss with them quite some time ago now?

#### **Response from the Cabinet Member for Communities and Housing**

The approved strategy for Lichfield Housing does not prevent us from building affordable housing, however I would refer you to my answer to the same question from your colleague Cllr Robertson on the 19 July 2019

#### Q2 Question from Councillor Anketell to the Cabinet Member for Communities and Housing

Will the Cabinet Member tell us if he feels that the current government definition of “affordable rent” (i.e. rents at 80% of market rents) is reasonable, sustainable and genuinely affordable?

### **Response from the Cabinet Member for Communities and Housing**

‘Affordable rent’ is one type of affordable housing for rent, that also includes ‘social rent’. In the last three years (2016/17- 2018/19) of the 398 affordable homes built in the district, 256 were for rent, of which 135 were affordable rent and 121 were social rent.

As it is based on a market rent, an affordable rent is generally higher than a social rent and can vary quite widely across the district depending on location. To minimise this and to ensure that rents are more affordable, as part of our Tenancy Strategy, the council ask all the housing associations (Registered Providers) to:

- set affordable rents no higher than the Local Housing Allowance(LHA)
- take local circumstances into consideration and consider the need to set affordable rents below 80% of market rents to ensure they remain affordable and not a disincentive to work

We monitor rents that Registered Providers charge for properties re-let through Homes Direct and I can confirm that in 2018/19 all affordable rents advertised were at or below LHA rates.

Notes:

1. Local Housing Allowance is a nationally agreed rate that takes into account the average cost to rent a property where you live (known as a broad rental market area) and is used to work out housing benefit or universal credit entitlement for private rent tenants. See <https://www.lichfielddc.gov.uk/apply-financial-help-rent-council-tax/local-housing-allowance/2?documentId=308&categoryId=20085>
2. Homes Direct is the choice based lettings system that housing associations use to re-let their vacant homes.

While we have these guidelines from Central Government we will continue to work with them.

### **Councillor Anketell asked the following supplementary question:**

Can the Cabinet Member agree to embrace the definition of affordable rents as defined by the West Midlands Combined Authority i.e. rents and mortgages at 35% or less than the average gross earnings of the lowest quarter of wage earners in a local area.

### **The Cabinet Member for Communities and Housing responded:**

We will look at this with the team and partners and Members will be kept informed of any proposals.

### **Q3 Question from Councillor Norman to the Leader of the Council**

Do you agree with me that the Economic Growth, Environment and Development (Overview and Scrutiny) Committee should be the main Committee that investigates initiatives that will reduce our impact on the environment as per the agreed Resolution at the last meeting of Council?

### **Response from the Leader of the Council:**



While this committee may take the lead on environmental issues, if we wish to effect change in this District we must all assume some responsibility - so I very much hope that all Overview & Scrutiny Committees will consider how their decisions will impact on the environment. To this end, we have, with immediate effect, added an "Environment Impact" section on each report which goes to O&S.

**Councillor Norman asked the following supplementary question:**

Will the Leader agree to ask all Members to consider environmental matters when they see reports and involve others to join the Council in doing all we can as a District?

**The Leader of the Council responded:**

I thought I had attempted to articulate this in my answer, that Cabinet will consider how we can focus on the environment and climate change and all other Members will be on an Overview and Scrutiny Committee where they will consider the environment, so yes.

**Q4 Question from Councillor Norman to the Cabinet Member for Recycling and Leisure**

The recycling rate in Lichfield District has fallen from a peak of 58.1% in 2013/14 to 45% in 2018/19. Why is that?

**Response from the Cabinet Member for Recycling and Leisure**

Lichfield's recycling rate for 2018/19 was 47.81% which compares favourably to the national average of 45.3%.

Within Staffordshire which is a high performing County, Lichfield's own performance is around the mid-point. The Joint Waste Service which Lichfield delivers in partnership with Tamworth achieves a rate of 45.5%.

There are two reasons for the reduction from the 2013/14 peak which are:

- A change to the organic waste collection service was introduced in October 2014. Residents were advised to stop disposing of food waste in their garden waste bin and use the black bin instead. This happened following the opening of the Energy from Waste Plant at Four Ashes which put an end to Lichfield's waste going to landfill. This change accounted for a 4 percentage point reduction in the recycling rate. Removing the food waste from the garden waste bin also saved the Joint Waste Service £250k per annum in disposal gate fees.
- In 2018 a charge for the garden waste service was introduced which has caused the tonnage collected to reduce from a peak of 17k tonnes per annum to 12k tonnes per annum. This change accounted for a 6 percentage point reduction in the recycling rate. However the charge does generate £1.5 million in income per annum for the Joint Waste Service, over half of this comes to Lichfield District Council which we are able to use to offset overheads.

For the future, the Government does have plans to boost the recycling rate and has set a target of 65% to be achieved by 2035. The Resources and Waste Strategy which was published at the end of 2018 contains a raft of proposals to increase recycling rates which include the introduction of mandatory food collections by 2023 and the implementation of a deposit return scheme for drinks containers.

**Q5 Question from Councillor Norman to the Cabinet Member for Recycling and Leisure**

Residents are now charged £36 a year to have their green waste recycled. In the Christmas period 2018/19, in Chase Terrace, the last collection was made on the 14<sup>th</sup> of December and the next the following year on January 25<sup>th</sup>. Last Christmas the last collection was a day earlier on the 13<sup>th</sup> of December but the next one was not until February the 7<sup>th</sup> the following year meaning three collections were cancelled.

Does Councillor Little think that this 23 week service should be made clearer in our promotions as the public will assume it is a 26 week service they would get?

**Response from the Cabinet Member for Recycling and Leisure**

The maximum number of garden waste collections that a resident can receive was reduced from 24 in 2019 to 23 in 2020. This was done because less than 10% of subscribers had used the service in the previous two Januarys. Putting on collection crews for such a low participation rate was deemed to be a poor use of resource and also not good for the environment because crews have to drive round to check all the 40k subscribing properties.

The maximum number of collections is stated on the internet when residents fill in their subscription form on line and the Connects Team make sure that residents who subscribe by telephone or in person at the Council Offices are fully informed. In addition each property in the district gets a bin calendar delivered in November/December that contains all the collection details for the following year.

As the change didn't get picked up by all residents we will review the communication methods to be used next year. Planning for 2021 will take place early in the summer.

(The Meeting closed at 7.15 p.m.)

CHAIRMAN