

**CANNOCK CHASE COUNCIL**  
**MINUTES OF THE MEETING OF THE**  
**CABINET**

**HELD ON THURSDAY 19 OCTOBER 2017 AT 4:00 P.M.**  
**IN THE CIVIC CENTRE, BEECROFT ROAD, CANNOCK**

**PART 1**

PRESENT: Councillors:

Adamson, G.	Leader of the Council
Alcott, G.	Deputy Leader of the Council and Economic Development and Planning Portfolio Leader
Kraujalis, J.T.	Corporate Improvement Portfolio Leader
Bennett, C.	Crime and Partnerships Portfolio Leader
Mitchell, Mrs. C.	Culture and Sport Portfolio Leader
Preece, J.P.T.L.	Environment Portfolio Leader
Davis, Mrs. M.A.	Health and Wellbeing Portfolio Leader
Allen, F.W.C.	Housing Portfolio Leader
Todd, Mrs. D.M.	Town Centre Regeneration Portfolio Leader

**35. Apologies**

None received.

**36. Declarations of Interests of Members in Contracts and Other Matters and Restriction on Voting by Members**

No other Declarations of Interest were made in addition to those already confirmed by Members in the Register of Members' Interests.

**37. Updates from Portfolio Leaders**

**Culture and Sport**

Cannock Stadium Site

The Portfolio Leader advised that redevelopment of the site was progressing well. Work on the car park and allotments had been completed, and work was underway on the footpaths and lighting schemes.

**Corporate Improvement**

Rising Brook Bridge, Rugeley

The Portfolio Leader advised that construction of the new footbridge was

underway and going well. The appearance and design of the new bridge was in keeping with the area and the project was being achieved within budget.

The Economic Development and Planning Portfolio Leader further advised that the official launch of the Rugeley Flood Alleviation Scheme had been arranged for 18 December, 2017 and Members had been invited. It was intended that as part of the launch attendees would be able to visit a grotto location within the scheme area, however this was subject to it first being made safe to access.

## **Crime and Partnerships**

### Taxi Liaison Forum

The Portfolio Leader advised that he had recently received positive impact about the Forum, specifically that it was well regarded and a model for other such Forums to follow.

### Mental Health in the Police Force

The Portfolio Leader advised that he had been looking into sickness absence amongst Police Officers, PCSOs and Police Staff, particularly in instances where stress was the reason for absence, and how this impacted on the mental health of those off sick and those still working who were thus experiencing an increased workload. He would be raising this matter at the next meeting of the Police and Crime Panel. Furthermore, the Staffordshire Police and Crime Commissioner was applying to the Home Office for more funding as Staffordshire Police was unable to cope with its workload at its current staffing levels.

## **38. Minutes of Cabinet Meeting of 24 August 2017**

RESOLVED:

That the Minutes of the meeting held on 24 August, 2017, be approved as a correct record and signed.

## **39. Forward Plan**

The Forward Plan of Decisions for the period October to December, 2017 (Item 5.1 – 5.2 of the Official Minutes of the Council) was considered.

RESOLVED:

That the Forward Plan of Decisions for the period October to December, 2017 be noted.

## **40. Quarter 1 Performance Report 2017-18**

Consideration was given to the Report of the Head of Governance and Corporate Services (Item 6.1 – 6.28 of the Official Minutes of the Council).

RESOLVED:

That

(A) The performance information relating to the Priority Delivery Plans (PDPs) as detailed in Appendices 1 to 4 of the Report be noted.

(B) The actions which have been flagged as requiring amendment to the timescale, scope or timeline be noted.

### Reasons for Decisions

Information for performance actions and indicators for quarter 1 2017/18 was included for relevant items in Appendices 1 to 4 of the Report. The overall rankings for each Portfolio area were detailed in section 5 of the Report, indicating that 81.3% of actions/projects had been achieved or were on target to be achieved.

#### **41. Annual Report 2016-17**

Consideration was given to the Report of the Managing Director (Item 7.1 – 7.23 of the Official Minutes of the Council).

RESOLVED:

That

- (A) The information, achievements and investment in the District as detailed in the Annual Report be noted.
- (B) The Annual Report 2016/17 be approved for publication on the Council's website.

### Reasons for Decisions

The Annual Report 2016/17 presented a summary of the major events, developments and investments in Cannock Chase during the year. As such, it provided a user friendly digest of key information to be presented to the Council's residents, partners and communities.

#### **42. Housing Services Annual Report 2016-17**

Consideration was given to the Report of the Head of Housing and Partnerships (Item 8.1 – 8.27 of the Official Minutes of the Council).

RESOLVED:

That:

- (A) The draft 2016/17 Housing Services Annual Report be agreed for circulation to all the Council's tenants.
- (B) If required, the Head of Housing and Partnerships, following consultation with the Housing Portfolio Leader, be authorised to make amendments to the draft 2016/17 Housing Services Annual Report prior to circulation.

### Reasons for Decisions

The Council was required to publish the 2016/17 Annual Housing Report as set out in the Regulatory Standards by the Homes and Communities Agency.

The Annual Report must be circulate to all tenants and this would be achieved as part of the Autumn edition of Hometalk.

#### **43. Mandatory and Discretionary Rates Relief Policy**

Consideration was given to the Report of the Head of Finance (Item 9.1 – 9.21 of the Official Minutes of the Council).

RESOLVED:

That:

- (A) The Mandatory and Discretionary Rate Relief Policy as detailed at Appendix 1 of the Report be adopted.
- (B) In particular, the Revaluation Support Scheme included in the policy be noted and adopted.
- (C) Officers award rate relief to affected organisations, in line with the Mandatory and Discretionary Rate Relief Policy.

#### Reasons for Decisions

The Council had a statutory duty to consider applications for Mandatory and Discretionary Rate Relief as part of its function to administer the National Non-Domestic Rates service.

The Council adopted its current policy in 2014 and the operation of that policy had worked well.

The revised draft policy did not substantially change the rate of relief afforded to current recipients. The changes to the policy would:

- Refresh the policy to account for any changes resulting from the 2017 revaluation of Business Rates;
- Introduce new relief schemes announced in the Chancellor's Spring 2017 budget;
- Remove previous, government funded, schemes which were time related and had expired;
- Make the application and award process as simple as it could be, so as to enable Officers to make awards to affected businesses quickly.

The draft policy was subject to an ongoing consultation process with the Council's major preceptors and other Billing Authorities within Staffordshire.

#### **44. Business Rates Pilot and Pooling Arrangements**

Consideration was given to the Joint Report of the Head of Finance and the Managing Director (Item 10.1 – 10.45 of the Official Minutes of the Council).

RESOLVED:

That:

- (A) Participation in the Expression of Interest to form a Staffordshire and Stoke-on-Trent Pool based upon piloting a 100% Business Rates scheme based upon all of the eleven authorities covering the full Staffordshire geography be agreed.
- (B) Subject to (A) above:
  - (i) notification be given to the existing pools of the Council's intention to be part of a pilot application, and if successful to leave that pool;
  - (ii) in the event of the pilot application not being successful, that the pooling arrangements for 2018/19 be based on one of the following potential options:

- a) the current pool remain in place;
  - b) the existing pool be dissolved;
  - c) alternative pooling arrangements based upon a choice of the two existing pool.
- (C) Subject to the above, the Managing Director and Section 151 Officer, in consultation with the Leader of the Council, submit a firm Expression of Interest to be a member of the Staffordshire-wide pool.
- (D) For the reasons set out in the Report related to the timescale for responses, any decisions related to the determination of the proposed pool membership be not subject to call-in.

### Reasons for Decisions

The Department for Communities and Local Government (DCLG) published on 1 September, 2017 an “Invitation to pilot 100% Business Rates Retention in 2018/19 and to pioneer new pooling and tier split models”.

The prospectus provided a framework for the extension of the existing voluntary pooling of business rates revenues to two tier authorities, following the establishment of pilots for Devolution areas only in 2017/18. A pilot enabled 100% of future growth to be retained by the pilot area as compared to the current 50% subject to Fiscal Neutrality. Tariffs or Top Up’s were adjusted to reflect the 100% share and the relevant government grants consolidated within the Business Rates Regime.

“Fiscal Neutrality” was based upon the initial (notional) baselines created at the commencement of the 50% scheme in 2013/14. There was a clear and simple financial advantage therefore if the combined current amount of Actual Business Rates Income (ABR) was in excess of the Government determined Business Rates Baseline as contained within the 50% scheme.

All Staffordshire authorities were in a “growth position” with growth ranging from 1% to 14% with an average of 7% being achieved across the wider Staffordshire proposed pool for 2017/18. This net growth position was at least likely to be maintained for 2018/19 but more likely to increase. Growth within the two tier (County Council) area was estimated to be £13.7m whereas growth in Stoke on Trent City Council was forecast to be £11m. At present only 50% of such growth was retained within Staffordshire and hence an additional £12.35 Million could be retained under pilot arrangements.

The creation of a pilot would see each authority receive a minimum of £200,000 additional resources in 2018/19. The actual direct benefit was based upon proposed locally agreed tier splits. The Tier splits for districts/boroughs had been maintained at 40% with this Council forecast to receive in the region of £241,000 in 2018/19.

Pilots were designated for one year only however it was more than likely that pilots would remain in operation until the full 100% Business Rates Scheme was implemented.

In accordance for the selection criteria for a new pilot there were three potential models for Staffordshire authorities:

- a) Existing Staffordshire & Stoke on Trent Pool

- b) Two Tier Only – County Council & Districts ;or
- c) All eleven authorities covering the full Staffordshire Geography

However it was considered that only c) All eleven authorities covering the full Staffordshire Geography would fully meet the prospectus criteria.

The terms of the new pilots may be slightly different from the 2017/18 pilots with Government yet to determine whether the “no detriment” clause would still apply. This clause ensured that collectively the authorities in the pilot were no worse off than if they remained in the 50% scheme. Prospective Pilots had been asked to indicate if they would wish to proceed with a pilot if this clause was not in place.

The “No Detriment Policy” was felt essential by initial pilots to mitigate the impact of volatility in relation to the transfer of existing funding streams and additional responsibilities into the Business Rates funding regime. This in itself has been mitigated by only Revenue Support Grant and Rural Services grant being foregone under the 2018/19 arrangements.

In order for a “No Detriment” clause to be triggered, in relation to not being worse off as compared to the current 50% scheme for the Staffordshire wide pilot, there would need to be a loss of Business Rates income of in excess of 7% (£12 million) in 2018/19.

Nevertheless the greatest risk in relation to net Business Rates Income was the impact of Appeals following the 2017 revaluation, and future changes in Government Policy. It was therefore proposed that the Expression of Interest was caveated with a No Detriment Clause for:

- The consolidation of hereditaments as a single assessment e.g. Virgin Media;
- Transfer from the Local Rating List/Central Rating Lists;
- Changes in Mandatory Relief Policy / outstanding claims for Charitable Status;
- Changes in the methodology of determining the basis of Rateable Values e.g. GP Surgeries;
- Change in Government/Valuation Office agency (VOA) policy;
- The backdated cost of new appeals post 1 April 2018.

The pool itself would operate a “No Detriment / loss” policy funded as first call against additional growth retained in Staffordshire.

“No loss” was determined to be that a Member would be no worse off:

- by being a Member of the Pool than they would have been if they had not been a Member of the Pool. Each Member would retain the income they would have received if they were not a member of the Pool;
- No Member would be worse off as compared with previous pool arrangements for Staffordshire and Stoke-on-Trent Business Rates Pool (2012) or Greater Birmingham and Solihull Business Rates Pool;
- No Member would be worse off as a result of the increased retained % arising from Tier Splits of the Pilot Scheme.

Membership of the pilot would not affect the sovereignty of each authority. Each authority would still receive separate allocations from Government; would set its

own budget and collect and retain Business Rates.

To be accepted as a new pilot for 2018/19 all parties must be designated as a pool to share business rates income. However Authorities could not be members of two pools.

Authorities would therefore need to determine whether they would wish to be part of the proposed Staffordshire wide Pilot.

If the pilot application was successful there would be a requirement to leave the current pools. Two pooling arrangements existed in Staffordshire. Cannock Chase; East Staffs; Lichfield and Tamworth were members of the Greater Birmingham and Solihull Pool (GBSP) with Newcastle Under Lyme; South Staffs; Stafford; Staffordshire Moorlands; Stoke on Trent; Staffordshire Fire and Rescue and Staffordshire County Council members of the Staffordshire and Stoke on Trent Business Rates Pool (S&SOTP).

Given the timetable for pilot applications and the proximity to the finalisation of the local government finance settlement, all applications must outline, with agreement from all participating authorities, what pooling arrangements they would like to see if their application to become a pilot were unsuccessful.

The rationale of the existing pools, in addition to sharing the risk and reward, was to provide a local incentive so that a proportion of additional resources was retained by the generating authority and to provide a mechanism to support economic growth at a Local Enterprise Partnership or at a Pool area level.

The adoption of the proposed “no loss” basis as compared to the 50% scheme, would maintain the status quo at a financial level. The current levy passed to the pool would be retained by each authority at the outset. The contribution to the Economic Developments partnerships i.e. LEP’S could be maintained either by:

- Re-designation of the existing pools as Economic Development Growth Pools to be funded by the equivalent amount of levy as now (virtual pool);
- Direct contributions to the relevant LEP based upon:
  - a) 40% of retained levy (Current pool arrangements)
  - b) Fixed contribution
  - c) Lump sum / % contribution
- Determined alternative arrangements with the relevant Pool/LEP.

Informal discussions had taken place with the existing Pools and LEP’s and the potential creation of a pilot was not considered a barrier to current membership / working relationships. The DCLG had confirmed that the GBS pool would remain open to current members in the event that the pilot application was unsuccessful.

Expressions of Interest (EOI) were required by the 27 October, 2017 and subject to determination of whether the Council wished to proceed with an EOI, delegated authority to the Managing Director and Section 151 Officer was required to meet this tight deadline.

Appendix D detailed the draft Governance Arrangements for the proposed pilot /pool and delegated authority was required to agree the final pooling Agreement in accordance with the principles as contained in the Memorandum of Understanding.

Successful pilots would be announced as part of the Draft Local Government Settlement in late November/Early December and come into effect from the 1 April, 2018.

**45. Exclusion of the Public**

RESOLVED:

That the public be excluded from the remainder of the meeting because of the likely disclosure of exempt information as defined in Paragraph 3, Part 1, Schedule 12A of the Local Government Act 1972 (as amended).

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**IN THE CIVIC CENTRE, BEECROFT ROAD, CANNOCK**

**PART 2**

**46. Debt Recovery**

Consideration was given to the Not for Publication Report of the Head of Finance (Item 12.1 – 12.24 of the Official Minutes of the Council).

RESOLVED:

That:

- (A) The amounts detailed in Appendices 1 and 2 of the Report be written off.
- (B) The actions of the Head of Finance in writing off the irrecoverable debts, below £1,000, be noted.

Reasons for Decisions

*Council Tax*

Set out at Appendix 1 to the Report was a list of arrears over £1,000 which could not be collected for the reasons stated. Included in the Appendix were 38 cases with arrears totalling £69,463.06

All of the amounts written off would be charged against the provision for bad debts.

*Non-Domestic Rates*

Set out at Appendix 2 to the Report was a list of Non-Domestic arrears over £1,000 which could not be collected for the reasons stated. Included in the Appendix were 28 cases with arrears totalling £179,882.33.

Some of the Business Rates debts were being recommended for write-off on the grounds of insolvency of the companies that previously occupied properties. It was not uncommon in these circumstances for the properties concerned to be re-occupied, fairly quickly, by new companies often with similar names to the insolvent organisation. It often therefore appeared that the company had continued to trade, though this was not the case.

Where this situation occurred, the new occupier was an entirely separate legal entity to the previous occupant and could not be held liable for rates due from the insolvent company. Members were assured that such debts were only submitted for write-off when the Council was sure that the debts could not be recovered.

The meeting closed at 4:37 p.m.

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LEADER