

Meeting	Decision Session - Executive Leader (incorporating Finance & Performance)
Date	11 December 2017
Present	Councillor Carr

23. Declarations of Interest

At this point in the meeting, the Executive Member was asked to declare any personal, prejudicial or pecuniary interests in the business of the agenda. None were declared.

24. Minutes

Resolved: That the minutes of the Executive Leader (incorporating Finance & Performance) Decision Session held on 20 November 2017 be approved and then signed by the Executive Leader as a correct record.

25. Public Participation

It was reported that there had been one registration to speak at the meeting under the Council's Public Participation Scheme. Sam Leach (Founding Director, Spark:York) was in attendance to answer any questions about Spark:York under item 5.

26. City of York Council's Response to the 2018/19 Local Government Finance Settlement Technical Consultation

The Executive Leader considered a report which outlined the response from City of York Council in relation to the technical consultation on 2018/19 Local Government Finance Settlement.

Following consideration it was:

Resolved: That the consultation response from City of York Council in relation to the technical consultation on 2018/19 Local Government Finance Settlement be noted.

Reason: So that the public can see how the council is responding to local government funding consultations.

27. Inclusion of Land Adjacent to 17-21 Piccadilly in the Lease to SPARK:YORK

This report recommended the addition of a small piece of newly acquired land to the red line boundary of the lease of 17-21 Piccadilly to Spark:York. It was explained that the land would not be used for commercial purposes as it was outside of the boundary of the Spark:York scheme, it would formalise their existing right of access to 17-21 Piccadilly, and would also facilitate improved disabled access to the scheme. It would also transfer responsibility for its upkeep from the council to Spark:York for the duration of the lease, reducing the council's liability.

In response to a question from the Executive Leader, the Assistant Director clarified that the lease termination remained unchanged, ending in June 2020.

Resolved: That approval be given to the inclusion of the small plot of adjoining land within Spark:York's lease of 17-21 Piccadilly as identified in Annex 1 of the report.

Reason: To formalise access arrangements, enable better disabled access to the Spark:York scheme and reduce the council's maintenance liability for the duration of the lease.

28. Changes to the Spring Budget Discretionary Rate Relief (DRR) Allocation Policy

This report provided the Executive Leader with an amendment for approval to the Spring Budget discretionary rate relief (DRR) policy introduced in May 2017. The Assistant Director of Customer and Digital Services gave an overview of the report, explaining the background to the Discretionary Business Rate Scheme. It was noted that the £788k funding from the government for 2017/8 had been put into the York economy with government recommendations.

The Discretionary Business Rate Scheme Amendment was detailed in paragraphs 9-14 of the report as follows:

9. 'In consultation with other local authorities in the Yorkshire region the council now believes that the best approach to distributing the funding, supporting our local business and the economy in the city is to automatically provide the discount. This will mean that each affected business is equally relieved of the increase. Locally East Riding and Hull Councils have both applied a percentage decrease to those businesses who meet their criteria without an application process. These authorities excluded council buildings and national chains.

10. This approach has also been promoted more recently by the Government:

"We are aware that many councils are running application based processes. If you are undertaking this approach and are seeing a lower than expected uptake or are forecasting an underspend on your allocation, we encourage you to take all necessary steps to publicise the scheme and ensure all available relief is distributed as soon as possible. For example, exploring options around automatically applying discounts to eligible businesses."

11. In calculating the value of the grant the Government applied the following as the base for their calculation:

"Distribution based on the bill increases of properties given the following criteria: their business rates bill is increasing by more than 12.5% following revaluation, and their 2017 rateable value is less than £200k. Bill changes were calculated using a multiplier after inflation and with adjustment for appeals (0.466). Central list properties are excluded from this analysis. Based on the VOA's draft 2017 rating list (September 2016)."

12. This calculation was applied nationally but took no account of the make up of businesses in each local authority area. The impact in York is that when national businesses are removed along with any local government buildings there is adequate grant funding to support both local businesses and charities with their full 2017/18 business rate increase leaving a residual balance of approximately £80K.

13. To ensure all businesses receive this support as quickly as possible in line with Government guidance this paper recommends that the council adopts the approach of automatically awarding the business rate support to local businesses and charities. This will see no local business or charity with and rateable value below £200K having to pay an increase in their

business rates in 2017/18 and will put over £700K of Central Government money back into the local economy.

14. It is recommended that the residual grant funding should be held as a contingency in case any further business rate hardship cases are identified before the end of the financial year. Also as any grant under spend has to be repaid to the Government and in the ethos of the grant to support local business consideration should be given to supporting any local businesses who are already in recovery for business rates arrears.'

In response to questions from Executive Leader, it was clarified that:

- The level of uptake of applications for the discretionary rate relief grant has been lower than expected.
- Business would be notified that their business rates would not increase.

Following consideration it was:

Resolved: That approval be given to the changes to the May 2017 DRR policy (as listed above) that will see all qualifying local businesses and charities see no increase from the recent business rate revaluation exercise and put over £700K of support into the local economy.

Reason: To help support local businesses, charities and employment by providing rate relief in respect of the recent business rate revaluation exercise.

29. Group Reorganisation of Yorwaste and SJB Recycling

This report sought approval of the proposed group reorganisation within Yorwaste and SJB Recycling following the purchase of Todd Waste Management Group (TWMG) by Yorwaste. This was in order for the company to remain Teckal compliant.

The Executive Leader considered the following options:

Option 1

To provide approval as shareholder as per the recommendations

Option 2

To not provide approval as shareholder as per the recommendations

Following consideration of the two options it was:

Resolved:

- i. That the hive up of assets of TWMG via dividend in specie into Yorwaste be agreed.
- ii. That the sale of share capital of Toddpak to SJB Recycling by way of an intergroup loan be agreed.

Reason: To allow Yorwaste to deliver economic efficiencies and to maintain Teckal compliance.

Cllr D Carr, Chair

[The meeting started at 1.00 pm and finished at 1.10 pm].

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