

HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the CABINET held in the CIVIC SUITE (LANCASTER/STIRLING ROOMS), PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON, PE29 3TN on Tuesday, 7 February 2023

PRESENT: Councillor S J Conboy – Chair.

Councillors L Davenport-Ray, S W Ferguson,
B A Mickelburgh, B M Pitt, T D Sanderson and S Wakeford.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors M A Hassall and S L Taylor.

71 MINUTES

The Minutes of the meeting held on 24th January 2023 were approved as a correct record and signed by the Chair.

72 MEMBERS' INTERESTS

No declarations were received.

73 FINAL 2023/24 REVENUE BUDGET & MEDIUM-TERM FINANCIAL STRATEGY (2024/25 TO 2027/28); INCLUDING THE CAPITAL PROGRAMME

With the aid of a report prepared by the Director of Finance and Corporate Resources (a copy of which is appended in the Minute Book) the Cabinet were provided with detail of the Final Budget 2023/24 and Medium Term Financial Strategy (2024/25 to 2027/28) which included details of the Capital Programme.

In introducing the report, the Director of Finance and Corporate Resources reported that the budget of £24.3m for 2023/24 would seek to maintain a breakeven position with net expenditure of £24.1m and a Medium Term Financial Strategy budget requirement of £21.5m by 2027/28. Cabinet Members were acquainted with detail around how the budget for 2023/24 would be achieved which was attributed to the need to not set a baseline for National Non-Domestic Rates, improved income levels from the Government which included the New Homes Bonus and net internal funding expected to be around £6.5m. It was however report that in terms of expenditure, an increase of £9.7m was expected in 2023/24 owing to factors such as inflation, temporary accommodation costs and rising energy costs.

Moving on to the Medium Term Financial Strategy, the Director of Finance and Corporate Resources reported upon the uncertainties which existed and advised that the projections made were based on the best accounting assumptions. Future funding challenges related to an expected reduction in the New Homes Bonus, implications of Fair Funding, re-baselining of business rates reducing National Non Domestic Rates income and the ongoing issues pertaining to the localisation of Business Rates.

The Executive Councillor for Planning provided a detailed account of the comments which had been raised by the Overview and Scrutiny Panel (Performance & Growth) where it was reported that a healthy debate had taken place. Arising from which, a question was raised by the Executive Councillor for Jobs, Economy and Housing querying the comments which had been made by the Panel regarding expected staff salaries and the maintenance of current staffing levels, to which the Executive Councillor for Finance and Resources responded that whilst a 2% assumption had been made in the Medium Term Financial Strategy, this would not constrain the Council and to be mindful that the medium term future was difficult to predict at the present time.

Having commended Officers, Service Managers and staff for their efforts in producing a budget that would breakeven in 2023/24, particularly when comparing Huntingdonshire's position to that of other authorities, and for their efforts with the Medium Term Financial Strategy and Capital Programme, it was

RESOLVED

that the Council be recommended to approve the overall Final Budget 2023/24 and Medium Term Financial Strategy 2024/25 to 2027/28 (as outlined in Appendix 1 of the report now submitted, which includes the Revenue Budget at Section 2 and the Capital Programme at Section 3).

74 2023/24 TREASURY MANAGEMENT, CAPITAL AND INVESTMENT STRATEGIES

A report by the Director of Finance and Corporate Resources was submitted (a copy of which is appended in the Minute Book) providing strategic guidance on how the Council conducts its Treasury Management, Capital and Investment activity.

By way of background, the Financial and Treasury Accountant reminded the Cabinet of the requirement for Council to approve the various strategies and statements under the Chartered Institute of Public Finance and Accountancy's (CIPFA) Treasury Management in the Public Services. He then went on to draw attention to the inclusion of a Liability Benchmark within the Treasury Management Strategy 2023/24 (Appendix 1 of the report now submitted refers) which compares the Council's existing loans against its future need for loan debt. Reference was also made to Environmental, Social and Governance (ESG) considerations, to which the Council was currently seeking advice from its Treasury Advisors on the use of a points based scoring system for future investment opportunities. Finally, comment was made on approved counterparties, where it was noted that some of the limits in Table 3 of the Treasury Management Strategy 2023/24 had been reduced in response to uncertainties within the current financial landscape over the next few years.

Following an explanation from the Executive Councillor for Planning on the views of the Overview and Scrutiny Panel (Performance & Growth) and in welcoming the information that was forthcoming on ESG considerations, it was

RESOLVED

that Council be recommended to approve:

- a) the Treasury Management Strategy (as attached as Appendix 1 of the report now submitted);
- b) the Capital Strategy (as attached as Appendix 2 of the report now submitted);
- c) the Investment Strategy (as attached as Appendix 3 of the report now submitted);
- d) the Minimum Revenue Provision Statement (as attached as Appendix 4 of the report now submitted); and
- e) the Flexible Use of Capital Receipts Strategy (as attached as Appendix 5 of the report now submitted).

75 BUSINESS RATES DISCRETIONARY RATE RELIEF POLICY

A report by the Council Tax and Business Rates Manager was submitted (a copy of which is appended in the Minute Book) setting out the different types of relief available to local businesses that can be awarded under specific qualifying criteria as outlined in the Business Rates Discretionary Rate Relief Policy.

During the course of introductions, the Executive Councillor for Customer Services set out the challenges faced by local businesses in the current economic climate with high rents and business rates, both of which were outside of the control of the Council. The Business Rates Discretionary Rate Relief Policy enabled the Council an opportunity to provide some level of subsidy to qualifying businesses, however he did go on to highlight that this would be at the expense of taxpayers and that careful consideration had been given to the qualifying criteria in order to ensure the right balance was struck for Huntingdonshire in terms of fairness and consistency.

Following a brief discussion on the challenges faced by small and medium enterprises (SME's), in particular, those located in rural areas and having had their attention drawn to the views of the Overview and Scrutiny Panel (Environment, Communities & Partnerships), the Cabinet

RESOLVED

to approve the Business Rates Discretionary Rate Relief Policy effective from 1st April 2023.

76 CORPORATE PERFORMANCE REPORT 2022/23 QUARTER 3

With the aid of a report prepared by the Business Intelligence & Performance Manager (a copy of which is appended in the Minute Book) the Cabinet were presented with an update on the delivery of the Corporate Plan 2022/23 and project delivery.

The Executive Councillor for Customer Services summarised the progress made in delivering the Key Actions for 2022/23 over the reporting period where it was noted that the action relating to consultation and engagement on the Climate Strategy had moved from amber to a green RAG status. Additionally it was reported that the action relating to social housing and the delivery of affordable homes remains amber owing to delays with planning design issues at a site located in Warboys. Referring to the Corporate Indicators, the Executive Councillor for Customer Services provided an explanation on those relating to the time taken to process Housing and Council Tax Benefit claims, supply chain and skill shortages which were affecting the delivery of affordable homes, the lower than expected number of food safety inspections undertaken, the positive results which had been achieved in respect of homelessness preventions, the countywide problem which existed around reused/recycled/composted household waste rates and the low uptake of the “Good to Go” scheme. Finally, the Cabinet received details on the status of corporate projects. The only one identified as being significantly behind schedule related to the Revenue and Benefits Service e-billing project which had been pushed back owing to the prioritisation of the Energy Bill Rebates scheme. The Government had also announced another similar scheme which would delay the project further.

Having acknowledged the appointment of a Project Manager and Project Support Officer to support biodiversity within the Council’s Parks and Open Spaces and in celebrating the successes achieved to improve the percentage of planning applications processed on target when compared to the previous quarter, the Executive Councillor for Customer Services went on to report the views of the Overview and Scrutiny Panel (Performance & Growth). In noting that a report on the Market Towns Programme would be submitted to the Cabinet at its March 2023 meeting, it was

RESOLVED

that Cabinet note the progress made against the Key Actions and Corporate Indicators in the Corporate Plan and current projects, as summarised in Appendix A and detailed in Appendices B and C of the report now submitted.

77 FINANCE PERFORMANCE REPORT 2022/23 QUARTER 3

A report by the Director of Finance and Corporate Resources was submitted (a copy of which is appended in the Minute Book) presenting details of the Council’s projected financial performance for 2022/23.

The Director of Finance and Corporate Resources drew the Cabinet’s attention to a minor typographical error in paragraph 3.1 of the report where it was noted that the revenue budget was forecasting an “overspend” not “underspend” of £0.055m. In noting that the trends were similar to that reported in Quarter 2, increased costs had arisen as a result of gas and electricity costs, increased staffing costs in Leisure and Health and temporary accommodation costs. The impact of increased interest rates had resulted in extra costs of £950,000 per annum and it was reported that an agreement for the People for Places Loan was currently awaited which would further impact upon the Council’s financial position. The forecast outturn at the end of Quarter 3 was projected to be £21.569m with the capital forecast expected to be £10.421m against a budget of

£41.899m reflecting an underspend of £31.478m. The latter was attributed to the rephasing of some projects, which included the Huntingdon Redevelopment, Future High Street Funds and Market Towns Programme and Hinchingsbrooke Country Park Redevelopment Scheme.

In respect of the Market Towns Programme, the Executive Councillor for Jobs, Economy and Housing reported that whilst spending had not occurred yet, the Officer Team were working hard to get the scheme up and running.

Having been acquainted with the views of the Overview and Scrutiny Panel (Performance & Growth) which had been delivered by the Executive Councillor for Planning and in noting the recent announcement made about the all staff one-off payment, the Executive Leader reported upon the overwhelmingly positive comments she had received from staff following the announcement of the award. Cabinet Members concurred that the timing of the award worked well in light of the current economic climate and cost of living crisis. Whereupon, the Cabinet

RESOLVED

- a) to consider and comment on the revenue financial performance to the end of December 2022, as detailed in Appendix 1 and summarised in paragraph 3.2 of the report now submitted; and
- b) to also consider and comment on the capital financial performance at the end of December 2022, as detailed in Appendix 1 and summarised in paragraph 3.3 and the prudential indicators as detailed in Appendix 2 of the report now submitted.

78 REVIEW OF REPRESENTATIVES ON OUTSIDE BODIES AND INTERNAL DRAINAGE BOARDS

Consideration was given to a report by the Democratic Services Officer (a copy of which is appended in the Minute Book) summarising the background, justification, process, conclusions and recommendations arising from the Overview and Scrutiny Task and Finish Study on the Council's scheme of appointments to outside bodies and Internal Drainage Boards.

The Managing Director reminded the Cabinet of the background to the study which reviewed representatives appointed to outside bodies, which included the Internal Drainage Boards. The recommendations proposed sought to provide clarity and consistency in the current process.

Having welcomed the report and its findings, in particular, the implementation of a reporting process that would enable appointed representatives to feedback on the organisations/bodies to which they were appointed to and in noting the views of the Overview and Scrutiny Panel (Performance & Growth), the Cabinet placed on record their thanks to the Task and Finish Group and Officers for their work commenting that the recommendations proposed would strengthen and provide more robustness in the current process. Whereupon, the Cabinet

RESOLVED

- (a) to implement a proper reporting process;

- (b) to identify the relevant Officers to take ownership of the relationship between the Council, Councillor and Organisation or Board;
- (c) to establish regular communication between Officers and nominated Councillors to ensure consistency and clarity;
- (d) to develop a job description to establish clarity and consistency for appointed Councillors;
- (e) to set clear expectations for Members and ensure they are able to fulfil the duties of the role when appointed;
- (f) to review the list of organisations and boards appointed to; and
- (g) to ensure that appointments are non-political and are made taking Ward and specialist expertise into account.

79 MANAGING DIRECTOR AND CORPORATE DIRECTOR (PLACE)

Further to Minute No. 22/70, the Executive Leader announced that tonight's meeting was the last to be attended by the Managing Director and Corporate Director (Place). On behalf of the Cabinet, the Executive Leader extended personal thanks to both Officers for their dedication, time, hard work and support and wished them well for the future.

Chair