

HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the CABINET held in the Civic Suite 0.1A, Pathfinder House, St Mary's Street, Huntingdon, PE29 3TN on Thursday, 13 February 2014.

PRESENT: Councillor J D Ablewhite – Chairman.

Councillors B S Chapman, J A Gray,
N J Guyatt, R B Howe, T D Sanderson and
D M Tysoe.

In attendance: Councillors S J Criswell, R S
Farrer and T V Rogers.

66. MINUTES

The Minutes of the meeting of the Cabinet held on 23rd January 2013 were approved as a correct record and signed by the Chairman.

67. MEMBERS' INTERESTS

No declaration were received.

68. FINANCIAL MONITORING - REVENUE BUDGET 2013/14

The Cabinet received a report by the Assistant Director, Finance and Resources (a copy of which is appended in the Minute Book) on the projected budget outturn for 2013/14 together with details of variations from the previous forecast.

Members were advised that the expected outturn of revenue expenditure was £21.1m which was 1.6m less than assumed in the draft 2013/14 budget.

It was reported that the New Homes Bonus for 2015/16 would be based on the increase in houses in the year ending October 2014. Members were encouraged to note that the Council was currently ahead of its profiled new-homes target. Although income from Business Rates was forecasted to be on budget, it was explained that the impact of appeals makes the forecast subject to considerable volatility.

With regard to achievement of revenue savings, Members expressed concern that only 58% of savings within the 2013/14 Medium Term Plan have so far been achieved, with four schemes exceeding a variance of £20,000. In the discussions that ensued, Executive Councillors stressed the importance of setting challenging, robust but realistic targets.

Having noted the position on debts collected and written off during the period October to December 2013 and in requesting that future monitoring reports be submitted to the Overview and Scrutiny Panel (Economic Well-Being), the Cabinet

RESOLVED

that the spending variations in the Revenue Budget be noted.

69. FINANCIAL MONITORING - CAPITAL PROGRAMME

Consideration was given to a report by the Head of Financial Services (a copy of which is appended in the Minute Book) highlighting variations to the approved Capital Programme 2013/2014 and the consequential estimated revenue impact. It was requested that future monitoring reports should clearly differentiate between loans to other bodies, investment schemes and other capital expenditure.

Having noted the explanations for the variations, the Cabinet

RESOLVED

that the report be received and the expenditure variations noted.

70. BUDGET 2014/15 AND MEDIUM TERM PLAN 2015 TO 2019

(Councillors S Criswell, Chairman of the Overview and Scrutiny Panel (Social Well-Being) and T V Rogers, Chairman of the Overview and Scrutiny Panel (Economic Well-Being,) were in attendance and spoke on this item).

Further to Minute No.13/55 and by way of a report by the Assistant Director, Finance and Resources (a copy of which is appended in the Minute Book) the Cabinet were acquainted with a number of variations to the assumptions made previously for the purpose of preparing the Medium Term Plan, the budget and associated level of Council Tax for 2014/15. Updated versions of Tables 1 to 6 were also circulated these had been expanded to provide a breakdown of the figures relating to salaries, government grants and fees & charges.

Attention was also drawn to a Budget Update note which summarised the impact of the Government's recent announcement that the Council Tax Freeze Grant would now be built into the base rather than just being awarded for 2 years.

In discussing the contents of the report, Members' attention was drawn to the conclusions reached by the Overview and Scrutiny Panel (Economic Well-Being). In that respect, Members concurred with the Panel that the Authority should freeze its level of Council Tax for the forthcoming year and accept the Government's Council Tax Freeze Grant.

With regard to the use of revenue reserves, Executive Councillors have been advised that a balance had been taken between progress on saving and the use of reserves in order to ensure that savings were properly targeted and effectively delivered to manage service impact. It was reported that net interest and borrowing costs would

increase to 16.4% in 2018/19. In that respect, the Cabinet considered the options available to them to keep within the limit of 15% set by Council. Given the current financial circumstances, the potential for capital savings through the Facing the Future exercise and the beneficial impact of future margins on loans to other bodies, the Cabinet concurred with the Panel that they would recommend that the 16.4% position should be accepted. It was noted that the Cabinet intends to closely monitor capital spending and that the Treasury Management Group would take a close interest in this, as well as any investment schemes, because of their impact on borrowing and investments.

Discussion also ensued on proposals put forward by the Liberal Democrat Group, in respect of which the Cabinet noted that the future of the Cromwell Museum was already being considered by Huntingdon Town Council and that the issues associated with the pay review are being considered elsewhere. Members concluded that it would be appropriate to consider all the other issues as part of the Facing the Future exercise.

In response to a question by the Cabinet on the need to ensure very effective budget monitoring, especially on savings items, the Managing Director confirmed that this was a very high priority.

Having noted the comments arising from the consultation with the business community on expenditure proposals and in acknowledging the contributions of the Overview and Scrutiny Panel, the Cabinet

RECOMMENDED

- (a) that, subject to the amendments shown in the Budget Update note and any detailed consequential amendments to the Tables, the proposed Budget and Medium Term Plan appended to the report now submitted be approved;
- (b) that the breach in the 15% limit on Net Interest and Borrowing Costs be noted and the actions outlined in paragraph 8.6c of the report now submitted, to mitigate the impact, be endorsed; and
- (c) that that there be no increase in Council Tax for 2014/15, i.e. Band D charge will remain at £133.18.

It was also RESOLVED

that, subject to approval of the Budget by Council, the additional approvals required for those MTP schemes highlighted in Table 4 be approved.

71. TREASURY MANAGEMENT STRATEGY 2014/15

By way of a report by the Head of Financial Services (a copy of which is appended in the Minute Book) the Cabinet was invited to consider the contents of the Treasury Management Policy and Strategy for 2014/15. The documents had been considered by the Overview and Scrutiny Panel (Economic Well-Being) whose comments were relayed

to the Cabinet.

Whereupon, it was

RESOLVED

that the Council be recommended to approve the Treasury Management Policy and Strategy for 2014/15 as appended to the report now submitted.

72. HUNTINGDONSHIRE DISTRICT COUNCIL CORPORATE PLAN 2014-16

(Councillors S Criswell, Member of the Corporate Plan Working Group was in attendance and spoke on this item).

The Cabinet reviewed the proposed vision, strategic themes and aims for the 2014-16 Huntingdonshire District Council Corporate Plan (a copy of which is appended in the Minute Book). The Plan had been considered by all of the Overview and Scrutiny Panels whose comments were relayed to the Cabinet

In noting a timetable for preparing a performance framework to support the Plan and having thanked the Panels for their input, the Cabinet

RESOLVED

that the progress made on the 2014-16 Huntingdonshire District Council Corporate Plan be noted and the recommendations of the Overview and Scrutiny Panels on the Plan be incorporated into the final version.

73. EXCLUSION OF THE PUBLIC

RESOLVED

that the public be excluded from the meeting because the business to be transacted contains exempt information relating to the financial or business affairs of any particular person (including the authority holding that information) and consultations or negotiations in connection with labour relation matters between the Council and its employees

74. FACING THE FUTURE

(Councillors S Criswell, Chairman of the Overview and Scrutiny Panel (Social Well-Being) and T V Rogers, Chairman of the Overview and Scrutiny Panel (Economic Well-Being,) were in attendance and spoke on this item).

Further to Minute No 13/35 and by way of a report by the Assistant Director (Finance and Resources) (a copy of which is appended in the Annex to the Minute Book), the Cabinet was invited to consider the recommendations of the Overview and Scrutiny Panel Chairmen and Vice-Chairman on priorities for further work following completion of

the first phase of the Facing the Future process.

Members were advised that Strategic Service Review templates for 32 Council activity areas had been considered by the Panels. They contained details of the areas' statutory duties, performance standards, manpower, financial information and options for the future of the service and had been categorised into those which require further research, those which are politically sensitive and those which have a limited service impact. In discussing the potential loss of an element of control from shared services and outsourcing the Panel recognised that this has to be weighed against the possible savings that might be achieved.

Having referred to the complexities of researching some of the savings and recognising the level of work required to be undertaken by Management Team and Executive Councillors to deliver savings in a timely fashion, the Cabinet

RESOLVED

- (a) that the content of the report now submitted be noted;
- (b) that the list of suggestions be categorised into service areas and cascaded down to the Heads of Service to create an implementation plan, in consultation with Executive Leader, Managing Director and Portfolio Holders;
- (c) that priority be given to those suggestions that would result in "quick wins" or would give the best returns within a shortest timescale; and
- (d) that those suggestions deemed to have most impact on services to the public be held in abeyance until the financial impact of the items in list 1 and 2 have been fully investigated.

Chairman