

CABINET held at COUNCIL CHAMBER - COUNCIL OFFICES, LONDON ROAD, SAFFRON WALDEN, CB11 4ER, on WEDNESDAY, 5 FEBRUARY 2020 at 5.00 pm

Present: Councillor J Lodge (Chair)
Councillors A Armstrong, D Eke, J Evans, N Hargreaves, P Lees and L Pepper

Officers in attendance: D French (Chief Executive), B Ferguson (Principal Democratic Services Officer), A Knight (Assistant Director - Resources), S Pugh (Assistant Director - Governance and Legal) and A Webb (Director - Finance and Corporate Services)

Also present: Councillors C Day and M Sutton (Cabinet Deputies); A Dean (representing the Liberal Democrat Group), B Light (representing the Green Group) and R Pavitt (representing the Uttlesford Independents' Group); Councillor N Gregory (Chair of the Scrutiny Committee).

CAB71 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence were received from Councillor Asker.

CAB72 MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 9 January 2020 were approved and signed as a correct record of the meeting.

CAB73 QUESTIONS OR STATEMENTS FROM NON-EXECUTIVE MEMBERS OF THE COUNCIL (STANDING ITEM)

In response to a question from Councillor Gregory, the Leader said there was no intention to hold an inquiry into the Local Plan process but the Administration would think very carefully on how to proceed. There would be an opportunity at the Council meeting in March to take stock of the current situation and to discuss the next steps forward.

CAB74 CONSIDERATION OF REPORTS FROM OVERVIEW AND SCRUTINY COMMITTEES (STANDING ITEM)

Councillor Gregory updated Cabinet on the current work of the Scrutiny Committee. He said the previous Committee meeting had been productive as a number of important items, including the Medium Term Financial Strategy (MTFS) and the Corporate Plan, had been considered and scrutinised. Scrutiny

welcomed the latest version of the Corporate Plan and were satisfied that the updated version was robust. He added that he accepted criticism of the Committee's decision not to scrutinise the budget and that this would be redressed during the next municipal cycle. Furthermore, he said the Task & Finish Group relating to major planning applications would include Councillors LeCount and Dean.

Councillor Dean said it was unusual that the Scrutiny Committee had taken the decision not to scrutinise the budget as this was something that deserved careful consideration.

Councillor Hargreaves said one issue that had made early scrutiny of the budget difficult was the late arrival of the central government settlement, details of which had only been received in December. He added that the MTFs was effectively a summary of the budget and this had been scrutinised at the previous meeting.

CAB75 DRAFT CORPORATE PLAN 2020 - 2024

The Leader presented the report to Cabinet, summarising the draft Corporate Plan 2020-24.

Members discussed the Plan and there was agreement that the Plan needed to filter down to all staff and members. The Leader said details on an upcoming workshop relating to the Delivery Plan would be circulated shortly.

In response to a comment relating to the Plan's distribution to Parish and Town Councils, the Chief Executive said the Plan would be formally communicated to all partners if Council were to approve the Plan.

In response to a question from Councillor Dean regarding the timings of the Corporate Plan, the Leader said the imminent Delivery Plan would include details on timetabling and the schedule of delivery.

Councillor Light said the Plan was a series of statements of intent and there was a need for resources to be allocated to each item within the Plan and asked for the financial details to be outlined in an understandable manner. She also asked for clarity on the commitment to support local councils.

Councillor Evans said one example was to assist local councils with the planning process by way of education. Funding would be available to allow parish/town councils to invite expert planning advisors to deliver seminars and training.

RESOLVED to recommend the draft Corporate Plan 2020-24 to Council for approval.

CAB76 MEDIUM TERM FINANCIAL STRATEGY AND BUDGET PROPOSALS - 2020/21

Councillor Hargreaves presented the report on MFTS and budget proposals for 2020/21 and provided an overview of the key issues stated in the report. He said no questions had been submitted in advance of the paper, although he had accepted a request to provide Key Performance Indicator (KPIs) for all Council investments, not only those relating to Aspire, during the next budget setting process.

The following areas of the budget report were brought to Cabinet members' attention:

- The minimum safe contingency level for Working Balances were £1.3 million for the General Fund and £0.463 million for the Housing Revenue Account (HRA).
- The Commercial Strategy had been considered a number of times by Cabinet and had been recommended for approval by the Investment Board in January.
- The MFTS had been through the Scrutiny process and set out the council's financial position over the next 5 years.
- Future years' allocations for the New Home Bonus would be based on legacy payments only, with no payments from 2023/24.
- Council Tax would be increased by £5 (per annum) in 2020/21 for a Band D property, with future years based on an uplift of 1.99%.
- The General Fund – 5 year summary was outlined and Members were informed that the Commercial Strategy 2020-2024 would be key in addressing the deficit and maintaining the current level of council services.
- The Treasury Management Strategy 2020/21 outlined borrowing, investments and risks. The Strategy increased authorised borrowing and recommended suitable counterparties from whom the Council could borrow.
- The Capital Strategy outlined capital expenditure and financing relating to assets that would be used for more than one year. For 2020/21, the Council was planning capital expenditure of £25million on General Fund projects (ICT development, asset maintenance and vehicle replacement), HRA (council housing) and Capital Investments. The Annual Minimum Revenue Provision statement, which stipulated the minimum provision the council was required to put to one side to repay debt in later years, stood at £4,212,000 for 2020/21.
- The creation of the Uttlesford Norse Group had impacted on the budget, which had been adjusted to account for this joint venture.
- The Capital Programme April 2020 – March 2025 was predicted to spend £76.217 million on the General Fund and HRA over this 5 year period. There were no new projects on the current programme.
- The HRA budget and the reserves position for 2020/21 were set out. Housing and supported accommodation rents were proposed to increase by 2.7% as per government policy. Other

service charges were highlighted, including the increase to garage rents of 2.4%. All measures had been endorsed by the Housing Board and the Tenants' Forum.

- The Council Tax requirement for 2020/21 was £5,956,841, which balanced to the level of the current yield, assuming an increase of £5 in Council Tax for a Band D equivalent property,
- There would be £300,000 allocated to support members' initiatives and £300,000 to support the Local Plan process.
- Members' Priorities could be found in the Corporate Plan although there was flexibility as not all of the funding had been allocated. The schemes mentioned included: support for the neighbourhood plan process, climate change initiatives, the Exchange in Stansted Mountfitchet and civic pride projects to assist parishes in hosting community events.
- On the advice of the S151 Officer, the Working Balance would be maintained at £1,300,000.

The Leader thanked Councillor Hargreaves, the Director - Resources and Corporate Services and the Assistant Director - Resources for compiling a comprehensive report.

Councillor Pavitt left the meeting at 5.55pm.

In response to a Member question, the Assistant Director – Resources said specific allocations to the Members' Priorities fund could be found in the Corporate Plan. The remaining amount that was left unallocated was below £50,000. Furthermore, the Chief Executive said smaller amounts would be specified in the Resource Delivery Plan.

In response to a Member question, Director - Finance and Corporate Services said the term 'Transformation Reserve' had a similar meaning to 'Reengineering Reserve'.

Councillor Gregory left the meeting at 6.05pm.

In response to a Member question, Councillor Lees said the Administration would be ambitious and planned to build 200 council houses. The monies earmarked for this would be budgeted once the plan had been finalised, but until then would remain in the General Reserve.

In response to a Member question, Councillor Pepper said a number of climate change initiatives would be rolled out, including tree planting and the reduction of plastic waste. These would be considered at the Energy and Climate Change Working Group.

Councillor Dean said he wanted something in the budget on the installation of public drinking fountains, or he would submit an amendment at Full Council.

In response to a Member question, the Leader said Members' Priorities that had not been specified in the budget would be set out in the Delivery Plan. The schemes outlined would be selected by Members of Cabinet.

RESOLVED to recommend to Council the approval of the following individual recommendations:

A) Section 25 Report – Robustness of Estimates and Adequacy of Reserves:

- I. Takes account of the advice in the report when determining the 2020/21 General Fund budget and Council Tax
- II. Approves the risk assessment relating to the robustness of estimates as detailed in the report.
- III. Sets the minimum safe contingency level for 2020/21 at £1.300 million for the General Fund and £0.463 million for the Housing Revenue Account.
- IV. Approve the Reserves Strategy set out in Annexe A1
- V. Agrees that no transfers to or from the Working Balance should be built into the 2020/21 budget.

B) Commercial Strategy

- VI. Approve the Commercial Strategy.
- VII. Approve the revised investment fund of £300 million.

C) Medium Term Financial Strategy

- VIII. Approve The Medium Term Financial Strategy

D) Treasury Management Strategy

- IX. Approve the Treasury Management Strategy
- X. Approve the amended maximum level of investment with Money Market Funds from £1 million per fund to £2 million. This means a total of £10 million investment over 5 Money Market Funds.

E) Capital Strategy

- XI. Approve the Capital Strategy
- XII. Approve the Minimum Revenue Provision (MRP) as set out in Annexe E1.

F) Capital Programme

- XIII. Approve the 5 year Capital Programme

G) Housing Revenue Account (HRA)

- XIV. Approve the Housing Revenue Account

H) General Fund Revenue and Council Tax

- XV. Approve the General Fund Council Tax requirement of £5,956,841
- XVI. Approve the schedule of fees and charges as set out in Annexe H6

I) Equalities Impact Assessment

- XVII. Note the outcome of the EQIA.

CAB78 CORPORATE PLAN DELIVERY PLAN 2019/20 QUARTER 3 PROGRESS UPDATE

The Corporate Plan Delivery Plan 2019/20 Quarter 3 update report was received by Cabinet. The report was noted.

The meeting ended at 6.15pm.