

# Minutes



<b>Meeting name</b>	<b>Cabinet</b>
<b>Date</b>	<b>Wednesday, 21 July 2021</b>
<b>Start time</b>	<b>4.00 pm</b>
<b>Venue</b>	<b>Parkside, Station Approach, Burton Street, Melton Mowbray, Leicestershire. LE13 1GH</b>

## Present:

**Chair** Councillor J. Orson (Chair)

**Councillors** L. Higgins (Vice-Chair) R. Browne  
R. de Burle A. Freer  
M. Graham MBE

**In Attendance** P. Cumbers J. Douglas

**Officers** Chief Executive  
Director for Corporate Services  
Director for Growth and Regeneration  
Assistant Director for Governance & Democracy  
Assistant Director for Planning and Delivery  
Democratic Services Officer (HA)  
Democratic Services Officer (CR)

Minute No.	Minute
174	<p><b>APOLOGIES FOR ABSENCE</b> There were no apologies for absence.</p>
175	<p><b>MINUTES</b> The minutes of the meeting held on 9 June 2021 were confirmed and authorised to be signed by the Chair.</p>
176	<p><b>DECLARATIONS OF INTEREST</b> Councillor Freer declared a personal non pecuniary interest in the Melton Business Improvement District (BID), as a member of the BID Board.</p> <p>Councillor Orson declared an interest in any items relating to Leicestershire County Council, due to his role as a County Councillor.</p>
177	<p><b>MATTERS REFERRED FROM SCRUTINY COMMITTEE IN ACCORDANCE WITH SCRUTINY PROCEDURE RULES</b> <u>Scrutiny Chairman's Summary of Lake Terrace Report and Findings</u> Councillor Pat Cumpers, Chair of Scrutiny Committee stated:</p> <p><i>'I am happy to bring this item to Cabinet today. You will note from the paper that we carried out a thorough investigation into all aspects of this planning application, to build affordable houses near Lake Terrace and I would like to thank officers for the help we received. All the information we needed and our questions were answered promptly and fully.'</i></p> <p>Councillor Joe Orson, Leader of the Council stated:</p> <p><i>'This item relates to a review which the Chair and Vice Chair of Scrutiny undertook into the decision taken by Cabinet in January, regarding a proposed disposal of land. The summary of this review was discussed at the recent Scrutiny meeting and the notes of this discussion have been shared with Cabinet as part of the agenda. I am very grateful for the extensive work which the Chair and Vice Chair of Scrutiny have undertaken in relation to this issue and it is both pleasing and reassuring that the efforts and actions of officers and this Cabinet have been fully vindicated through the work that has been done. Thank you.'</i></p> <p><u>Response and Recovery Task and Finish Group (Place) - Final Report</u> Councillor Cumpers advised that Councillor Rob Bindloss (Vice Chair of Scrutiny Committee and Chair of the Response and Recovery Task and Finish Group (Place)) was unable to attend this meeting to present the report, which described how the Council and partners had dealt with 'place' issues during the Covid-19 pandemic.</p> <p>In his absence, Councillor Jeanne Douglas, Vice Chair of the Group presented the</p>

report, highlighting that the Council's Scrutiny Committee had approved a Task and Finish Group related to 'place' issues on 1 September 2020. This group had reviewed the response and recovery in relation to the Covid-19 pandemic.

Councillor Douglas advised that the Task and Finish Group had reviewed:

- Leisure and Tourism (place branding and promotion, destination management and hospitality)
- Employment (skills and apprenticeships and business support)

The Group had been divided into 2 smaller groups to focus on 'Retail and Market' and 'Cafe Culture'.

Councillor Douglas highlighted that the group had launched a town centre survey in late October 2020, which had proved to be successful with 327 responses. Overall, responses had been positive in tone, with the vast majority stating that the Council's Covid-19 measures were good and there was much that residents valued about the borough, such as the community, shops, market and Country Park. The results of the survey had been incorporated into a report, which could be accessed on the Council's website and Councillor Douglas highlighted the following:

- The Business survey had received 22 responses, which was a comparatively good response.
- The Council had held a Business Improvement District (BID) and Town Estate meeting in January (Chaired by Councillor Bindloss) to share information linked to the Group's research.
- Concerning business grants, in total over £10.7m had been awarded to over 800 eligible businesses during the first lockdown and a further £7.3m had been awarded to 600 businesses during the second lockdown. The grants were an outstanding success and as a result, many businesses had been saved from closure.
- Important conclusions from the report included:
  - i. more resources were required, particularly in the form of financial support to fund and develop opportunities;
  - ii. there should be funding for dedicated officer time to free up officers to progress their considerable workloads;
  - iii. Melton needed an ambitious response to support local businesses (including the leisure and tourism sectors) to recover from the effects of the pandemic lockdowns, such as the boosting of night-time economies and the supporting of taxi businesses etc.

The Leader thanked the Group, noting the excellent work they had undertaken.

Cabinet

- 1) **RECOGNISED** the work of the Task and Finish Group and **ACKNOWLEDGED** the contents of the report;
- 2) **APPROVED** the recommendations of the final report of the Response and Recovery Task and Finish Group (Place).

Scrutiny Task and Finish Group Review of the Melton Mowbray Business Improvement District (BID), Final Report

Councillor Cumbers introduced the report, advising that the Scrutiny Task and Finish Group had given much consideration to its recommendations to the BID, to help improve its relationship with the Council. The BID was very much part of the town and it was important for the Council to work closely with it. The proposal to enlarge the BID district to include some additional industries and businesses was sensible. Cabinet's endorsement of the recommendations was sought and comments from Members were invited.

Councillor Alison Freer, Portfolio Holder for Climate, Access and Engagement thanked Councillor Cumbers and the Group for their work. The recommendations were appropriate and the first, concerning the Council's relationship with the BID was very important. The Council wanted to support the BID and encourage it to share information. Councillor Freer suggested that she and the Director for Growth and Regeneration work together to foster this relationship.

#### Cabinet

- 1) **NOTED** the work of the Task and Finish Group and **ACKNOWLEDGED** the contents of the report;
- 2) **RECOGNISED** that the recommendations at (b) and (c) were solely for the BID's consideration and that the recommendation at (a) would require collaboration between the Council and the BID.
- 3) **ENDORSED** the following recommendations:
  - (a) That the Council undertake greater collaboration with the BID to consider ways that both organisations could take some joint responsibility for shared priorities in relation to town centre businesses. This should include agreeing to an approach to identify realistic and positive expectations and aspirations for the relationship between the Council and the BID.
  - (b) That consideration be given to enlarging the defined BID area and then actively seeking a wider representation from local businesses on the BID Board.
  - (c) That the BID give consideration to re-establishing a website.

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#### **HOUSING REVENUE ACCOUNT (HRA) 2020/21 PROVISIONAL YEAR END POSITION**

Dawn Garton, Director for Corporate Services introduced the report, the purpose of which was to provide Members with information on the provisional year end for the Housing Revenue Account (HRA) position, subject to external audit approval for 2020/21 and provide information on the implications of the Council's balances and reserves.

Mrs. Garton advised that the provisional outturn was compared with the original budget, which had been set at the Council meeting in February 2020. The latest approved estimate, which incorporated in-year approvals was detailed at Appendix A and included budget holder comments on 'significant' variations (those plus or minus £10k). The overall position was an underspend against the budget of just

over £1m, mainly due to the large underspend on repairs and maintenance, as the pandemic had limited work. This had resulted in a £1.3m increase to the reserves, over the underspend to bring the working balance back to its approved level of £750k. The HRA business plan currently being developed would provide more detail on the suitability of these levels compared to the commitments needed to improve and manage the stock.

Mrs. Garton advised that the provisional outturn on the Capital Programme showed a similar position, with a large proportion of spend carried forward into 2021/22, again as a result of the impact of the pandemic on repairs work and access to properties. This was all subject to audit, which the Council had yet to receive a timescale for.

Councillor Ronnie de Burle, Portfolio Holder for Corporate Governance, Finance and Resources advised that the position for the Council's finances remained uncertain until the proper, comprehensive assessment and costed business and action plan was produced and put into place. Climate change was also likely to have an impact. Clarity was needed to move forward and it was particularly pleasing to receive confirmation that contracts had been signed off and work would begin very soon on producing the analysis needed to determine the condition of the Council's housing stock.

Councillor de Burle highlighted the £2.4m underspend on maintenance projects, as detailed at paragraph 5.6.1 of the report. Whilst there were mitigating circumstances, as detailed at paragraphs 5.1 to 5.3.4, much work was needed to achieve the corporate objectives set for 2020/24.

During discussion the following points were noted:

- Updates to Members on the HRA were important and helped to ensure that informed decisions were made.
- A concern over whether Council staff would be affected by the Covid-19 'pingdemic' (notification to self-isolate) was raised and whether this would impact on the workload of staff.
- Members commented that they had confidence in staff to achieve Council aspirations
- It was reassuring that officers had identified risks and ways mitigate them.
- Members were pleased to note that the new Development Manager would be in post at the end of September 2021.
- Members recognised the challenges faced by the Council and that by working with the Government and Homes England etc. the Council would work to deliver the best possible housing stock.

Cabinet:

- 1) **NOTED** the provisional year end position, variations to the 2020-21 approved year end position and the resultant effect on the Council's balances and reserves for the HRA for both revenue and capital.

Reason for the decision

*It is important that Cabinet are aware of the financial position of the HRA in order to ensure they can make informed decisions that are affordable and financially sustainable for the HRA and the links to the business plan.*

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**TREASURY MANAGEMENT ANNUAL REPORT 2020-21**

Dawn Garton, Director for Corporate Services introduced the report, the purpose of which was to provide a summary of the Treasury activities in 2020/21. The report also covered the actual position on the Prudential Indicators, in accordance with the Prudential Code.

Mrs. Garton highlighted that no new borrowing had been undertaken in the year and that borrowing had remained within the statutory borrowing limit. The investment return for the year was disappointing at 0.81% (a further decline on 2019/20's 1.25%).

Mrs. Garton advised that the Council's property fund had also shown a fall in valuation. The investment portfolio continued to incorporate more diversification in terms of counterparty and maturity and as interest rates were currently low, it was not an appropriate time to be locking funds into very long-term investments. Therefore, the portfolio did not extend beyond 12 months.

Mrs. Garton confirmed that the report would be submitted to Council for approval, in line with requirements of the Prudential Code.

Councillor Ronnie de Burle, Portfolio Holder for Corporate Governance, Finance and Resources reiterated that all investment rates and returns had been impacted. To balance this, more diversity was being introduced into the portfolio. Hopefully, investments would begin to recover and the monies set aside by Council in 2021 mitigated risk and demonstrated prudence.

The Leader noted that the Bank of England's inflation base rate remained low at 0.1%.

Cabinet:

- 1) **APPROVED** the Treasury Management Annual Report for 2020-21 for submission to Council;
- 2) **NOTED** the actual position on Prudential Indicators for 2020-21

*Reason for the decision*

*It is important that Cabinet are aware of the Council's Treasury Management performance to ensure they can make informed decisions that protect the Council's financial assets while taking regard of financial stability and potential returns.*

*The Annual Treasury Report is a requirement of the Council's reporting procedures.*

*The report meets the requirements of both the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities. The Council is required to comply with both codes through Regulations issued under the Local Government Act 2003.*

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**GENERAL FUND REVENUE AND CAPITAL OUTTURN 2020-21**

Dawn Garton, Director for Corporate Services introduced the report, the purpose of which was to provide Members with information on the provisional year end for the General Fund accounts, the final position for which was still subject to external audit approval, with the 2019/20 accounts also still required to be finalised. The report also provided information on the implications on the Council's balances and reserves.

Mrs. Garton confirmed that the accounts for 2020/21 were being finalised and the Council was yet to receive an audit date. Regulations required the accounts to be published by a later date this year (30 of September), due to difficulties in the audit market. It was anticipated that External Audit would not meet this later date and the accounts may not be submitted to Audit and Standards Committee on the 28 September, as intended.

Mrs Garton advised that comparison of the provisional outturn to both the original budget setting in February 2020 and the updated budget for supplementary estimates and carry forwards showed a surplus on General Expenses of £162k. It was recommended that this surplus be carried forward into 2021/22 and added to the Covid contingency budget. This would enable there to be full flexibility to respond to areas of need.

Mrs Garton highlighted that the primary reason for a healthy year end position was due to the significant budget reductions (£467k) identified early in 2020, which had contributed to the underspend. As the financial year progressed, additional Government funding was provided but uncertainty regarding financial support and the pressure on services had caused a backlog of work in some service areas, which where possible had been addressed through new burdens funding. Budget performance (excluding internal recharges) and explanations for any variations plus or minus £10k was detailed within Appendix A of the report.

Mrs. Garton advised that there was a surplus of £19k on Special Expenses Melton Mowbray. As a result of lower spend, there had been no need to draw on the Corporate Priorities Reserve to meet non-recurring expenditure, as originally intended, resulting in a healthier position than anticipated. A Financial Sustainability Plan was being developed and would be presented to Members later this year and there was also a large amount of spend approved by the Portfolio Holder, under delegation to be carried forward into the current financial year.

Councillor Ronnie de Burle, Portfolio Holder for Corporate Governance, Finance and Resources highlighted the work undertaken by budget holders to identify £450k savings. Despite great financial uncertainty, as a result of the pandemic, the

Council's financial position was healthier than at budget setting. However, the Council's financial resilience had been tested to its limit and this showed the low level of the Council's reserves and how quickly these could be exhausted in a crisis.

Councillor de Burle advised that the Council's main revenue streams remained uncertain and the outcome of the Government's review into the financing of local councils was unknown. The Council needed to continue to exercise patience and restraint, with regard to its finances, until it was more certain of its financial future. Financial sustainability planning would need to include consideration of savings, income generated to replace that lost or to fund new priorities if necessary which services were lower priority and could be reduced or ended.

Cabinet:

- 1) **NOTED** the provisional year end position, variations to the 2020-21 approved budget and the resultant effect on the Council's balances and reserves for the General Fund and Special Expenses as set out below and in the attached Appendices for both revenue and capital;
- 2) **APPROVED** £162k budget surplus for general expenses be carried forward into 2021-22 and added to the Covid contingency budget.

Reason for the decision

*It is important that Cabinet are aware of the financial position of the General Fund to ensure they can make informed decisions that are affordable and financially sustainable for the Council.*

**[Councillor Higgins entered the meeting]**

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**CORPORATE PERFORMANCE AND PROGRESS REPORT FOR QUARTER 4 2021/22**

Dawn Garton, Director for Corporate Services introduced the report, the purpose of which was to advise Members of the current state of performance against the defined performance reporting measures for the priority themes within the Council's Corporate Priorities for the fourth quarter of the financial year 2020/21.

Mrs. Garton advised that the report summarised areas that members wished to focus on and included performance information for the previous quarter, complaints information and commentary on key activities and projects contained within the Corporate Strategy. Scrutiny Committee had reviewed this and had provided a feedback report, which was also before Members.

The Leader commented that the report was comprehensive and highlighted the high volume of good work undertaken by the Council. It was important to remain focussed and continue to deliver growth for the Borough.

Cabinet:



- 1) **NOTED** the contents of the report and provide any observations or actions to the relevant officers accordingly.

Reason for the decision

*Having established a new Corporate Strategy in September 2020 is it important the Council regularly receives and considers performance information to evaluate progress. The Council's Corporate Performance Measures are used to focus on key priority services and projects and seek to help inform the Cabinet, Members and Officers with regard to the formation of policy and oversight of delivery. This report is presented to Cabinet twice a year and will also be shared with the Scrutiny Committee to enable them to consider appropriate areas for their Workplan. The results are also published on the council's website.*

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**2020/21 FIVE YEAR HOUSING LAND SUPPLY AND HOUSING TRAJECTORY**

Jim Worley, Assistant Director for Planning and Delivery introduced the report, the purpose of which was to provide information in relation to the current housing delivery and housing supply situation in the Borough.

Mr. Worley advised that the Council was in a strong position with 11.6 years' worth of housing against the housing requirement (which was a minimum of 5 years). Different scenarios to respond to the recent changes in the National Planning Policy Framework (NPPF) and associated guidance and the Council's position in terms of housing supply even in the worst-case scenario were detailed at paragraph 5.2 of the report. The Council remained above the 5 year minimum in all scenarios, which reinforced the strength of its position.

Mr. Worely highlighted that of equal importance to the five year land supply was the housing delivery test, which measured actual completions against the needs required for those years. The Council's position was at 175% against an 85% threshold. Falling below the threshold would impact on the local plan and there was no room for complacency. Also considered were the implications of the pandemic and Brexit on housing delivery and the expected delivery rates were adapted accordingly and reflected in this year's final delivery figure, which was approximately 5% lower than last year.

Councillor Leigh Higgins, Portfolio Holder for Growth and Prosperity commented that the report was very positive and he thanked Councillors for their work in relation to local plans and sustainable neighbourhood plans. He noted the secure position of the Council, even in the worse-case scenario and that the planning service had improved for developers and communities to reduce and mitigate complications.

Councillor Higgins highlighted Table 2 (Melton Stepped Approach Trajectory) at appendix 1 of appendix A, commenting that this showed the Council delivering on a very sustainable plan. It was time to progress sustainable neighbourhoods and deliver much needed homes.

The Leader thanked the Assistant Director and his team for their work and the difficult decisions which had been taken to safeguard the Council's position in its delivery of homes.

During discussion the following points were noted:

- The report was comprehensive and very positive.
- The Council's work on the environment and climate change was high priority and Members were pleased to see this referenced in this report and how it incorporated into all Council services as well as housing delivery.

Cabinet:

- 1) **APPROVED** the publication of the full Five-years' Housing Land Supply and Housing Trajectory report, in accordance with the requirements established in paragraph 73 of the National Planning Policy Framework (NPPF, 2019);
- 2) **NOTED** that the minimum required in terms of housing delivery was met, and significantly exceeded;
- 3) **NOTED** that the short-term impact of Covid-19/Brexit had been almost negligible.

Reason for the decision

*This report seeks approval to publish the final 2020/21 'Five-years' housing land supply and housing trajectory' report in order to meet the national requirement as identified in paragraph 73 of the NPPF, which states: '... Local Planning Authorities should identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years' worth of housing against their housing requirement set out in adopted strategic policies ...'.*

*The acknowledgement of the positive position of the Council regarding housing delivery is given by a range of indicators explored in the main body of this report, illustrating that the Council can demonstrate 11.6 years' worth of housing supply against the housing requirement, which is significantly above the minimum target (5 years).*

*The impact of the Covid-19 pandemic has been considered in the report taking into account the results from the survey sent to site promoters and the analysis from previous year's expectations. The anticipated impacts are almost negligible given the timeframes when these impacts are expected, and the level of supply identified during these years.*

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**DRAFT DEVELOPER CONTRIBUTIONS SUPPLEMENTARY PLANNING DOCUMENT**

Edd de Coverly, Chief Executive of the Council introduced the report, the purpose of which was to seek the approval of Cabinet to commence the public consultation on the draft Developer Contributions Supplementary Planning Document (SPD).

Mr. de Coverly highlighted that securing the Melton Mowbray distributor road was one of the Council's key Corporate Strategy priorities. Leicestershire County Council's (LCC) Cabinet had signalled its intention to accept the housing infrastructure fund grant for the southern leg of the road, subject to a number of conditions being met and this Council had supported LCC to ensure this could be achieved and the financial risks mitigated. The Developer Contributions SPD before Members represented a formal demonstration of that commitment and the first step towards meeting one of those conditions. Subject to Cabinet consideration, statutory consultation would commence on the SPD, with a view to submitting it again to Cabinet and then Council for adoption in September.

Mr. de Coverly advised that alongside the SPD, the Council were working to adopt new and refreshed master plans for the north and south neighbourhoods. The Council was seeking to establish an agreement with LCC on underwriting any shortfall arising from developer contributions on matters within our control and up to a cap of £1.75m (previously £1m). These items would be considered as part of separate reports to Cabinet and Council and by the end of 2021.

Jim Worley, Assistant Director for Planning and Delivery highlighted that an SPD must build upon local plan policy (it could not be new policy in its own right). The Developer Contributions SPD was built on the policies in the local plan, which related to key infrastructure to allow growth. The table at paragraph 5.8 of the report set out the Council's priorities (key infrastructure of highways and schools, strategic priorities, local priorities). The local priorities had been identified by ward members, working with local communities.

The Leader reiterated the importance of this work and confirmed the consultation period (26 July to 8 September).

During discussion the following points were noted:

- Members were pleased with the progress to date, noting that key infrastructure, highways and education were vital to Melton's growth.
- The commitment for a second surgery in Melton was welcomed.
- Members were pleased to note the local priorities, which had been identified by communities. This demonstrated effective consultation and engagement.

Cabinet:

- 1) **APPROVED** the Draft Developer Contributions Supplementary Planning Document for the purposes of consultation, having particular regard to the infrastructure priority list;
- 2) **AUTHORISED** a 6-week period for public consultation

Reason for the decision

*The Draft SPD has been formulated by working with Members and the County*

*Council to support infrastructure priorities in the Borough. Prior to the adoption of an SPD, it is necessary to carry out a public consultation of no less than 4 weeks, and no longer than 6 weeks (Town and Country Planning, (Local Development Regulations) (England) 2004). It is expected that, subject to the consultation, the document would be presented to Council for formal adoption in September 2021.*

*Given the importance of the document, and the hierarchy it creates to support prioritisation of contributions for strategic infrastructure, it is considered necessary to ensure that the Cabinet approve the draft document prior to the commencement of public consultation.*

*The prioritisation approach illustrated within this report and the SPD, builds upon the Cabinet decision made in November 2020. Whilst the starting point for the Council will be that all developers should meet all relevant infrastructure requirements in full, this approach to infrastructure priorities provides clarity to all parties if it becomes necessary and justified to negotiate the content of a section 106 agreement due to issues surrounding viability. Each planning application will continue to be assessed on a case-by-case basis according to the merits of the development and the CIL regulations.*

The meeting closed at: 5pm

Chair