

Minutes

Meeting name	Corporate Committee
Date	Tuesday, 25 September 2018
Start time	6.30 pm
Venue	Parkside, Station Approach, Burton Street, Melton Mowbray, LE13 1GH

Present:

Chair Councillor J. Orson (Chair)

Councillors L. Higgins (Vice-Chair) R. de Burle
P. Cumbers A. Pearson
B. Rhodes J. Wyatt

Observers

Officers Chief Executive
Director for Corporate Services
Director for Legal and Democratic Services
Administrative Assistant (JR)

Minute No.	Minute
C14	<p>Apologies for Absence Apologies were received from Councillors Glancy and Hutchison.</p>
C15	<p>Minutes The minutes of the meeting held on 9th July 2018 were confirmed and authorised to be signed by the chair.</p>
C16	<p>Declarations of interest Councillors Orson, Pearson and Rhodes declared a personal interest in any items relating to Leicestershire County Council due to their positions as County Councillors.</p>
C17	<p>Budget Framework 2019/20 The Director for Corporate Services submitted a report for members to consider key items which will feed into the Council's Medium term Financial Strategy (MTFS) and the 2019/20 budget and corporate planning preparation process. It was highlighted that an invitation had been issued to authorities to bid to be a 75% business rates retention pilot in 2019/20 which will be used to shape the new scheme. A joint bid to establish a Leicestershire Business Rates Pool has been discussed across the County and the Director for Corporate Services confirmed that the bid had been submitted for consideration this evening. Key features were highlighted as in the report and the risk of being in a less favourable position by being in the pilot was mentioned as extremely low. The split of potential monies is still being finalised but there is the possibility of approximately £300k for Melton, to be spent on housing and business infrastructure and financial sustainability.</p> <p>Members were advised that the MTFS did have a budget gap earlier in the year but this has been revised after year end and a more healthy position is envisaged primarily due to the waste outcome.</p> <p>The key proposals affecting MBC from the Technical Consultation on the 2019/20 Local Government Finance Settlement were highlighted as at 3.7 in the report. The MTFS for 2019/20 will be refined and updated throughout the budget process with the final settlement not due until December 2018.</p> <p>The review of the working balances was highlighted and members were advised that the risk model as at appendix B had been updated and it confirmed that the current level of £640k for the general Fund working balance is reasonable. There are no proposed changes for the Special Expenses and HRA working balances. The Director for Corporate Services drew members' attention to 3.3 of the report where the reduction in the Central Government Grant of £661k should read £944k.</p> <p>A member mentioned if the possible risks of a Brexit deal had been taken into account. The Chief Executive advised that the potential impact on the local</p>

economy and council is being considered and any opportunities or risk mitigations will be considered when there is greater clarity on the scope and level of any deal which is agreed.

The reduced Cattle Market income was highlighted by a member and queried. The Director for Corporate Services advised that an adjustment was made at the year end as the net cost is lower than before the new cattle shed but not as positive as indicated by Gillstream.

A member requested that the affordable housing figure is to be checked by Officers with regard to the Community Infrastructure Levy as it was suggested that the figure will taper off to zero from 20%.

The Chair moved the recommendations noting that the wording of 2.5 be amended to Housing Revenue Account (HRA) from Housing Reserve Account. Councillor Higgins seconded,

All members were unanimously in favour.

Resolved that

- 1) Committee approved the proposed corporate planning and budget framework timetable for 2018/19, in respect of the 2019/20 financial year, set out at Appendix A.
- 2) No inflation be provided for in the 2019/20 budget at service budget level, other than fees and charges which has been provided for at the rate of 2.5%, unless adjusted for known cost increases by budget holders and 2% for pay be approved.
- 3) Council retains its objective of setting a balanced budget for the life of the Medium Term Financial Strategy.
- 4) The level of working balance for General Expenses, taking into account the revised calculations set out in Appendix B, be approved and maintained at £640k.
- 5) The existing target levels of working balance be retained for special expenses (Melton Mowbray) at £50,000 and the Housing Revenue Account (HRA) at £750,000 be approved.
- 6) The Senior Management Team continue to determine the relative priority growth and savings options for members guidance to consider and allocate funding based on priorities set out in the corporate delivery plan be approved.
- 7) The key dates for the budget process be noted.
- 8) Members noted the exercise of the Chief Executives delegated authority in consultation with the Leader using urgency powers by reason of limitation of time as set out in para 3.5 to become a business rate pilot as part of the Leicestershire Business Rates pool.

C18

Budget Monitoring April to June 2018

The Director for Corporate Services submitted a report that provided information on actual expenditure and income incurred compared to the latest approved budget for the period 1st April 2018 to 30th June 2018. The report reflected the new committee structure and provided detail for all items including those approved under delegated authority that are required to be reported and a summary position on reserves and

balances resulting from these approvals. It was suggested that the wording to recommendation 2.3 to be amended to replace “that” with “the amount”.

The Director for Corporate Services advised that the financial position for the year had proved challenging and it had not been possible to meet the additional commitment previously approved by members to support the Corporate delivery Plan from underspends elsewhere. Also the Corporate Priorities Reserve has been utilised to fund one off costs arising from changes to the establishment with regard to the Corporate Improvement Team and Payroll. It was advised that there was a slight change to the report in that the payroll change whilst needing to draw on the reserves did not require delegation of the Chief Executive as this staffing implication had been previously reported and approved by Full Council earlier in the year.

A member advised caution with regard to the balance of the Corporate Priorities Reserve which will fall over the year and that spending should only be approved by this Committee.

The key challenges and issues for those variances over £10k were highlighted as at 3.6 of the report. The financial impact of these variances and approvals is for an estimated overspend on General Expenses of £7k and a balanced budget for Special Expenses MM. The HRA is indicating an underspend of £15k based on Quarter 1 monitoring.

A larger print version of Appendix D was circulated at the meeting for members' ease. This showed the effect of the reserves and balances with the key changes reported at 3.10.

The Director for Corporate Services advised that a separate fees and charges report would normally come to this committee for approval but with the changes to the committee structure for this year there are very few falling within this committee's remit. The fees and charges have all been approved under delegation being in line with inflation. The first draft of next year's budget will be reported to the Corporate Committee meeting scheduled for November 2018.

A member mentioned the new waste contract and the need for advertising and informing the public as to what is acceptable for recycling. Members were advised that contamination is a problem and some measures are being proposed to deal with the issue. This will be discussed in more detail at the Place Committee.

The Chief Executive advised members that preparations are being made for the 2018/19 winter season with regard to council dwellings to ensure that plumbing/electrical maintenance has been ongoing in readiness for severe weather and to mitigate the impact to residents.

The Chair moved the recommendations noting the amendment to 2.3 and Councillor de Burle seconded.

All members were unanimously in favour.

Resolved that

- 1) The financial position for all services to 30 June 2018 and year end forecast be noted.
- 2) Members approved the use of Corporate Priorities Reserve to fund the Supplementary Estimates totalling £80k previously agreed as outlined in para 3.5.
- 3) Members noted the delegation exercised by the Chief Executive and the amount estimated to be used from the Corporate Priorities Reserve to fund costs associated with agreed restructures as outlined in para 3.5.
- 4) Members approved the use of £5,000 from the Parkside budget to undertake a space planning exercise of the building to support the council's asset maximisation ambitions.
- 5) The virements approved under delegated powers (para. 3.8 refers) be noted.

C19

Capital Programme Monitoring April to 31 August 2018

The Director for Corporate Services submitted a report to provide an update to members on the progress of schemes within the Capital Programme to 31st August 2018.

The individual schemes were highlighted as set out in appendix A and the key variances were advised. The Northgate Server project is being delayed until the next financial year. The Telephony Project business case was submitted to enable the project to proceed for which funding has already been set aside. This funding will be supplemented by a revenue contribution and the project is in partnership with the other LICTP partners.

A member commented that the Wilton Road Public Conveniences works do not seem up to standard and would like Officers to check all is in order at this stage of the development.

The Chair moved the recommendations which were seconded by Councillor Higgins.

All members were unanimously in favour.

Resolved that

- 1) Members noted the progress made on each capital scheme and that the capital programme will be amended as part of the budget setting process as outlined in sections 5.3 and 5.4.
- 2) Members approved the Telephony Upgrade business case outlined in Appendix B and the authorised funding increased to £58k with the additional cost being met from the revenue budget.

The meeting closed at: 7.15 pm

Chair