

# Minutes



<b>Meeting name</b>	<b>Cabinet</b>
<b>Date</b>	<b>Wednesday, 7 February 2024</b>
<b>Start time</b>	<b>4.30 pm</b>
<b>Venue</b>	<b>Parkside, Station Approach, Burton Street, Melton Mowbray, Leicestershire. LE13 1GH</b>

## Present:

**Chair** Councillor P. Allnatt (Chair)

**Councillors** M. Glancy (Vice-Chair) S. Butcher  
S. Cox P. Cumbers

**In attendance** Councillor M Brown, Chair of the Scrutiny Committee

**Officers** Chief Executive  
Director for Housing and Communities (Deputy Chief Executive)  
Assistant Director for Governance and Democracy (Monitoring Officer)  
Director for Corporate Services  
Director for Growth and Regeneration  
Democratic Services Officer (HA)

Minute No.	Minute
66	<p><b>APOLOGIES FOR ABSENCE</b> There were no apologies received.</p>
67	<p><b>MINUTES</b> The minutes of the meeting held on 17 January 2024 were confirmed and authorised to be signed by the chair.</p>
68	<p><b>DECLARATIONS OF INTEREST</b> There were no Declarations of Interest for this meeting.</p>
69	<p><b>MATTERS REFERRED FROM SCRUTINY COMMITTEE IN ACCORDANCE WITH SCRUTINY PROCEDURE RULES</b> In accordance with the Scrutiny Procedure Rules, the following items had been referred from the Scrutiny Committee:</p> <p><b>Scrutiny feedback on the New Corporate Strategy: Vision 2036 and Corporate Delivery Plan.</b> The Chair of the Scrutiny Committee, Councillor Mike Brown, introduced the report advising members the Scrutiny Committee had met on 25 January 2024 and considered the report on the New Corporate Strategy: Vision 2036 and Corporate Delivery Plan.</p> <p>Cabinet <b>AGREED</b> to have regard to the Scrutiny Committee’s feedback.</p> <p><b>Scrutiny feedback on General Fund Revenue Budget 2024-25 and Medium-Term Financial Strategy (MTFS) 2025-26 to 2027-28.</b> The Chair of the Scrutiny Committee, Councillor Mike Brown, introduced the report advising members the Scrutiny Committee had met on 25 January 2024 and considered the report on the General Fund Revenue Budget 2024-25 and Medium-Term Financial Strategy 2025-26 to 2027-28.</p> <p>Cabinet <b>AGREED</b> to have regard to the Scrutiny Committee’s feedback.</p> <p><b>Scrutiny feedback on the Capital Programme 2023-28 – General Fund and Capital Strategy 2024-25.</b> The Chair of the Scrutiny Committee, Councillor Mike Brown, introduced the report advising members the Scrutiny Committee had met on 25 January 2024 and considered the report on the Capital Programme 2023-28 – General Fund and Capital Strategy 2024-25</p> <p><b>Scrutiny feedback on the Revenue Budget Proposals 2024-25 – Housing Revenue Account (HRA)</b> The Chair of the Scrutiny Committee, Councillor Mike Brown, introduced the report advising members the Scrutiny Committee had met on 25 January 2024 and</p>

considered the report on the Revenue Budget Proposals 2024-25 – Housing Revenue Account (HRA).

Cabinet **AGREED** to have regard to the Scrutiny Committee’s feedback.

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**NEW CORPORATE STRATEGY: VISION 2036 AND CORPORATE DELIVERY PLAN**

The Portfolio Holder for Corporate Finance, Property and Resources introduced the report, the purpose of which was to confirm and finalise several strategic vision statements being proposed following a period of public consultation between December 2023 and January 2024.

The Leader and Portfolio Holder for Housing and Landlord Services requested that the following be included for Recommendation to Council:

*Delegates authority to the Chief Executive, in consultation with the Leader, to update the Corporate Delivery Plan with any amendments required following consideration of the Budget reports, and to make any other minor operational amendments as required.*

Cabinet **RECOMMENDED** that Council:

- 1) Approves the Corporate Strategy, including the Vision 2036 and 4-year Corporate Delivery Plan.
- 2) Approves the supporting documents; the refreshed Performance and Risk Management Framework (Appendix D) and the Communications and Engagement Strategy (Appendix A).
- 3) Delegates authority to the Chief Executive, in consultation with the Leader, to update the Corporate Delivery Plan with any amendments required following consideration of the Budget reports, and to make any other minor operational amendments as required.

*Reasons for Recommendations:*

*With the Council’s current Corporate Strategy due for refresh, and as part of the establishment of the new Council post-election, a review has been undertaken with members which has considered local needs, issues and opportunities, latest data trends across a range of issues, the extensive residents’ survey feedback from 2022 and local aspirations debated during the local elections.*

*Through this process, the Cabinet have confirmed their desire to establish a longer-term vision for Melton, aligned to the current end date of the Council’s Local Plan. The Council’s proposed Vision 2036 seeks to establish long-term, strategic aspirations which articulate the Council’s ambition for the residents, businesses, and visitors in Melton. These aspirations would create the framework for the Council’s focus to improve the services, facilities and infrastructure provided by the Council and its partners. These aspirations are shown in paragraphs 5.3 to 5.11.*

*The modus operandi of the long-term strategy is for it to be flexible, reviewable, and refreshable so as each year passes the planning horizon extends by another year.*

*The aim is for the Council to develop bold ambitions but retaining financial prudence and stability.*

*Alongside this vision, this report sets out a framework which would establish the building blocks, through a four-year Corporate Delivery Plan, to enable the Council to start delivering against these long-term aspirations. Through the proposed structure of this plan and a set of new corporate priorities, the Council will ensure there is sufficient clarity and focus, as well as the required resources, at a time of ongoing significant financial pressures. The Corporate Delivery Plan is shown in Appendix A.*

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### **ASSET MANAGEMENT PLAN FOR CORPORATE ASSETS**

The Portfolio Holder for Corporate Finance, Property and Resources introduced the report, the purpose of which was to present the Asset Management Plan for Corporate Properties and Assets for consideration and recommendation to Council for approval.

The Portfolio Holder for Corporate Finance, Property and Resources thanked the representatives of the cross-party working group for the Asset Management Plan for Corporate Assets.

The Portfolio Holder for Corporate Finance, Property and Resources advised that the allocation of resources would be prioritised to those high risk items with the highest need of maintenance.

The Portfolio Holder for Corporate Finance, Property and Resources advised that the digital asset management module would link the asset management to the finance system to allow for better income and maintenance monitoring.

The Director for Growth and Regeneration advised the Asset Management Plan is an all-encompassing strategy including regulatory compliance, health and safety work for all buildings, service delivery, financial stability, leverage of investment, economic growth and would support the climate change strategy in terms of energy efficiency.

The Leader and Portfolio Holder for Housing and Landlord Services thanked officers for the detailed report.

Cabinet:

- 1) **NOTED** the financial implications in the plan have been incorporated into the budget proposals.
- 2) **RECOMMENDED** Council approves the Asset Management Plan for Corporate Assets (Appendix 1).
- 3) **DELEGATED** authority to the Director for Growth and Regeneration, in consultation with the Portfolio Holder for Corporate Finance, Property and Resources, to make relevant amendments to the plan.
- 4) **DELEGATED** authority to the Director for Growth and Regeneration, in consultation with the Portfolio Holder for Corporate Finance, Property and

Resources, to procure contractors for implementation of works as identified in the action plan.

*Reasons for Recommendations:*

*Priority 3 of Council's Corporate Strategy 2020-2024, identifies a key focus area to be – 'Confirm plans, secure funding and develop our assets to generate income and provide housing and jobs'.*

*The corporate land, assets and buildings, are an important resource for the Council and if used wisely, can be a powerful tool to not only enable the council to deliver excellent customer services across all areas, but also support regeneration and economic growth by leveraging public and private sector investment.*

*One of the key recommendations from the Local Government Association (LGA) finance review (2021), is for the Council to take a more strategic long-term approach to Financial Planning and the delivery of transformation, using Council assets and a requirement to at times take a commercial view.*

*An internal audit was undertaken for the Corporate Property and Assets (CPA) service in December 2021, that identified the control framework and compliance levels to be satisfactory. One of the key actions from the audit assessment undertaken for the Corporate Property and Assets (CPA) in December 2021 was to prepare an Asset Management Plan.*

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**CAPITAL PROGRAMME 2023/28 - GENERAL FUND AND CAPITAL STRATEGY 2024/25**

The Portfolio Holder for Corporate Finance, Property and Resources introduced the report, the purpose of which provided information on the forecast outturn position for 2023/24 for General Fund Capital schemes for both General and Special Expenses and the updated version of the Capital Strategy for all Council funds for 2024-25.

The Portfolio Holder for Corporate Finance, Property and Resources advised the development of the Plan had been a series of risk based choices identified by a cross party panel and would limit the number of opportunities of investment within the budget.

The Portfolio Holder for Corporate Finance, Property and Resources thanked officers for obtaining external grants to fund the projects that are proposed within the strategy.

Cabinet:

- 1) **NOTED** the capital programme forecast outturn for 2023/24 as set out in Appendix A.
- 2) **RECOMMENDED** that Council:
  - 2.1 Approves the removal of the MMDR contribution, condition survey asset works and ICT programme item from the 2023/24 capital programme as referred to in para 5.2.
  - 2.2 Approves the General Expenses Capital Programme for 2024-28 as attached at Appendix B.

- 2.3 Approves the sources of funding for the General Expenses capital programme for 2024/28 as set out in Appendix C.
- 2.4 Approves the Special Expenses Melton Mowbray Capital Programme for 2024-25 and associated sources of funding as set out in Appendix D.
- 2.5 Delegates authority to the Director for Corporate Services to amend the amount in the Capital Programme for Disabled Facilities Grant once funding confirmation had been received as referred to in para 5.6.
- 2.6 Approves the Capital Strategy 2024-25 as attached to Appendix E.

*Reasons for Recommendations:*

*Approving the capital programme and capital strategy will support the Council in delivering its commitment to manage its assets effectively and to ensure the benefits from them are maximised for the benefit of the Council and community as a whole. These Capital plans will support the effective delivery of these ambitions and will ensure appropriate levels of capital expenditure and investment are in place to meet Corporate priorities and objectives, whilst ensuring that plans are affordable, prudent, and sustainable. It is a requirement of the CIPFA Prudential Code for Capital Finance in Local Authorities to produce a capital strategy, and for the Chief Finance Officer to report explicitly on the affordability and risk associated with it.*

*The Capital Programme for 2024-28 for General Expenses is attached at Appendix B. The Programme gives the total cost of each scheme, the spending profile, the amounts authorised to be spent, and the stage each scheme has reached within the Capital Programme.*

*There is one item proposed for the Special Expenses capital programme which is summarised in Appendix C.*

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**GENERAL FUND REVENUE BUDGET 2024/25 AND MEDIUM TERM FINANCIAL STRATEGY 2025/26 TO 2027/28**

The Portfolio Holder for Corporate Finance, Property and Resources, introduced the report the purpose of which detailed the year end forecast and financial position for the General Fund and Special Expenses 2023-24 and set out the forecasts of the Council's financial position for the next 3 years.

The Portfolio Holder for Corporate Finance, Property and Resources advised the Council had now received a final settlement additional figure from the Rural Services Delivery Grant of £34,000 and figures would be adjusted subject to decisions made at Council on 8 February 2023.

The Portfolio Holder for Corporate Finance, Property and Resources advised that due to budget constraints investment had to be prioritised and focused with investments in areas such as planning, town centre and environmental health.

The Director for Corporate Services advised that with the budget proposals being dependent on the use of reserves, the Council would need to develop a Financial Sustainability Plan.

The Director for Corporate Services confirmed that with the information provided from budget holders at the present time and the risks presented at section 15 in the

report, she is satisfied with the robustness of the estimates and reserves.

Cabinet:

- 1) **NOTED** the year end forecast and financial position for the General Fund and Special Expenses for 2023/24.
- 2) **RECOMMENDED** that Council:
  - 2.1 Approve the revenue budget subject to any amendment arising from the final settlement for 2024/25 for General and Special Expenses, including proposed growth and savings items, as set out in Appendix A and D and summarised in section 4.5.
  - 2.2 Approve an overall Band D council tax increase of 2.99%, with the individual Band D council tax levels across each fund set out in para 4.5.7.
  - 2.3 Note that the Council's employee establishment will be updated in line with any changes arising from approval of any of the growth proposals set out in Appendix A.
  - 2.4 Approve implementation of a 100% premium for properties that have been empty and unfurnished for longer than one year and a 100% premium for second homes as set out in para 4.5.5. The premiums will be implemented from 1 April 2025.
  - 2.5 Delegate authority to the Chief Executive, in consultation with the Director for Corporate Services, to increase resources required to meet the needs of the resettlement scheme subject to there being sufficient grant funding to meet the revenue costs.
  - 2.6 Delegate authority to the Chief Executive, in consultation with the Director for Corporate Services, to access the Corporate Priorities Reserve to fund any one-off change and redundancy costs arising from the reconfiguration of the IT service provided by the Leicestershire ICT Partnership, as set out in para 4.5.6 (m).
  - 2.7 Delegate authority to the Chief Executive, in consultation with the Director for Corporate Services, to access the Corporate Priorities Reserve to fund any one-off costs associated with any potential future planning appeals.
  - 2.8 Delegate authority to the Chief Executive, in consultation with the Director for Corporate Services, to access the Corporate Priorities Reserve, to fund a permanent Environmental Programme Manager, to support the introduction of food waste collection and other environmental projects, until such time as the sufficiency or otherwise of the revenue grant funding is known and assessed.
  - 2.9 Approve that any current year surplus/deficit on general expenses at 31 March 2024 be met by transfers to or from the Corporate Priorities Reserve, in order to maintain the working balance at its agreed level of £1m;
  - 2.10 Approve that any current year surplus/deficit for Special Expenses Melton Mowbray at 31 March 2024, be transferred to/from the Special Expenses Reserve thereby bringing the actual working balance back to the target £50k;

2.11 Note the changes made to the risk categorisation of budgets as set out in para 4.8.1 and Appendix F.

*Reasons for Recommendations:*

*The Council, having set a Budget at the start of the financial year, needs to ensure the delivery of this Budget is achieved. Consequently, there is a requirement to regularly monitor progress so corrective action can be taken when required, which is facilitated through regular reporting of the financial position.*

*The recommendations set the Council's General Fund budget and proposed level of council tax for the 2024/25 financial year, which takes into account the proposals set out in the draft Corporate Strategy. The proposals take into account the net expenditure that the Council expects to spend in the next financial year to deliver services to our residents. The report also includes details of the funding and income received to support these services to ensure a balanced budget is proposed.*

*The Council also holds a number of reserves which can be drawn upon to fund future expenses. The level of reserves is considered within this report, as is the future outlook, for spending in the years ahead, in order for the Council's future financial resilience to be considered as part of the proposals.*

*Cabinet and Council are required to consider and approve the General Fund Revenue Account budget proposals in order to set the budget and council tax for the forthcoming financial year.*

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**REVENUE BUDGET PROPOSALS 2024/25 – HOUSING REVENUE ACCOUNT (HRA)**

The Portfolio Holder for Corporate Finance, Property and Resources introduced the report, the purpose of which provided an update on the financial position of the Housing Revenue Account (HRA) for 2023/24 as well as the setting of the budget and rent increase for 2024/25 for Council dwellings. The recommendation was for an increase of 7.7% in rents. The working balance for 2024-25 would remain at £1m.

The Director for Corporate Services advised that the proposals within the report are in line with both the HRA Business Plan and the Asset Management Plan.

The Director for Housing and Communities (Deputy Chief Executive) confirmed that the Intensive Housing Management review is ongoing, and proposals would be reviewed by Scrutiny ahead of Cabinet.

The Director for Housing and Communities (Deputy Chief Executive) advised that the Housing Assets Plan had recently been refreshed and would be kept under review.

The Director for Housing and Communities (Deputy Chief Executive) advised the forthcoming regulatory changes would place more focus and scrutiny on the housing sector. The Council has a clear and confident plan in place for any risks



and would be undertaking surveys throughout the year which will be reflected in the budget setting process.

The Leader and Portfolio Holder for Housing and Landlord Services thanked officers for the report.

Cabinet:

- 1) **NOTED** the financial position on the HRA as at 30 November 2023 and the year-end forecast for both revenue and capital.
- 2) **RECOMMENDED** to Council:
  - 2.1 The budget estimates for 2024-25 be approved.
  - 2.2 An average rent increase of 7.70% for all Council dwellings be approved with effect from 1 April 2024.
  - 2.3 That Intensive Housing Management Service charges are not applied to rent accounts from 1 April 2024 pending the conclusion of the service review as referenced at paragraph 5.51.
  - 2.4 The 2024-25 capital programme be approved.
  - 2.5 That delegated authority be given to the Director for Housing and Communities, in consultation with the Director for Corporate Services and Portfolio Holder for Council Housing and Landlord Services, to approve virements within the HRA capital programme during the year, to provide flexibility to meet emerging needs and maintain decent homes.

*Reasons for Recommendations:*

*The Local Government and Housing Act 1989 (the 1989 Act) requires the Council to produce and publish an annual budget, including the setting of rents, for the HRA which avoids a deficit. This report sets out the detail for Cabinet to consider prior to making recommendations to Council. It is a requirement that this be scrutinised prior to its submission which has been undertaken by the Scrutiny Committee in January 2024. The proposed rent increase is in line with Government policy and is the maximum increase allowed.*

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## **TREASURY MANAGEMENT STRATEGY AND PRUDENTIAL INDICATORS 2024-25**

The Portfolio Holder for Corporate Finance, Property and Resources introduced the report, the purpose of which outlined the Council's prudential indicators for 2024/25 – 2026/27 setting out the expected treasury operations for this period.

The Portfolio Holder for Corporate Finance, Property and Resources advised Melton Borough Council, had held a good financial position, in comparison to other councils, with financial investments and borrowing and would be securing and locking-in investments during the year, whilst the interest rates are still high to generate income.

The Portfolio Holder for Corporate Finance, Property and Resources thanked the finance team for the Investment Portfolio and the Treasury Strategy.

Cabinet:

- 1) **RECOMMENDED** to Council the prudential indicators and limits are adopted and approved as outlined in Appendix A section 2.
- 2) **RECOMMENDED** to Council to approval of the Treasury Management Strategy as outlined in Appendix A.
- 3) **RECOMMENDED** to Council the Minimum Revenue Provision (MRP) Statement which sets out the Council's policy on MRP is approved as outlined in para 5.3.
- 4) **NOTED** the linkages to the Capital Strategy due to the integral nature of how the Council manages its treasury finances to support capital development.

*Reasons for Recommendations:*

*The Treasury Management Code requires the Council to approve annually a Treasury Management Strategy and to provide a mid-year update on Treasury Management activities to the Council. It is a requirement that Treasury Management is scrutinised during the year which falls within Cabinet's remit.*

*To facilitate the decision-making process and support capital investment decisions, the Prudential Code requires the Council to agree and monitor a minimum number of prudential indicators.*

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**CORPORATE DEBT WRITE OFFS**

The Portfolio Holder for Corporate Finance, Property and Resources introduced the report the purpose of which was to seek approval to write off debts over the value of £5,000 where there is little or no prospect of recovering them.

The Portfolio Holder for Corporate Finance, Property and Resources advised that by writing off irrecoverable debts there would then be an accurate understanding of collectable debt levels and resources can be focussed effectively.

The Portfolio Holder for Corporate Finance, Property and Resources thanked the housing team for early intervention focus, with a view to preventing the accrual of long-term rent debts.

Cabinet:

- 1) **NOTED** the action taken by the Council to recover outstanding debts.
- 2) **APPROVED** the write-off of the debts shown in Exempt Appendices 1-4.

*Reasons for Recommendations:*

*All recovery methods have been considered and where appropriate pursued, before recommending that debts are written off.*

*Officer time can be maximised on greater returns, focusing on debts where there is more realistic chance of recovery.*

The meeting closed at: 5.21 pm

Chair