

# Minutes



<b>Meeting name</b>	<b>Cabinet</b>
<b>Date</b>	<b>Tuesday, 9 July 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

**Officers** Chief Executive  
Assistant Director for Governance and Democracy (Monitoring Officer)  
Director for Corporate Services  
Director for Growth and Regeneration  
Senior Democratic Services and Scrutiny Officer  
Democratic Services Officer (CR)

Minute No.	Minute
1	<p><b>APOLOGIES FOR ABSENCE</b> There were no apologies for absence.</p>
2	<p><b>MINUTES</b> The minutes of the meeting held on 12 June 2024 were confirmed.</p>
3	<p><b>DECLARATIONS OF INTEREST</b> There were no declarations of interest.</p>
4	<p><b>MATTERS REFERRED FROM SCRUTINY COMMITTEE IN ACCORDANCE WITH SCRUTINY PROCEDURE RULES</b> There were no items referred from the Scrutiny Committee in accordance with the Scrutiny Procedure Rules.</p>
5	<p><b>TREASURY MANAGEMENT ANNUAL REPORT 2023/24</b> Councillor Sarah Cox, Portfolio Holder for Corporate Finance, Property and Resources introduced the report, the purpose of which was to provide a summary of the Treasury activities in 2023-24 and the actual position on the Prudential Indicators in accordance with the Prudential Code.</p> <p>Councillor Cox thanked the Finance Team for their work in maximising Council investments over the past year, noting that the Council continued to perform exceptionally well against its benchmarking group and this had significantly assisted the Council's financial position.</p> <p>Councillor Cox confirmed that no new borrowing had been undertaken in year and borrowing remained within statutory limits. The investment return for the year was 5.07% again, significantly assisting the Council's financial position for the past year and offsetting increased costs caused by inflation and mitigating the financial pressures being faced by both the General Fund and the Housing Revenue Account (HRA).</p> <p>Councillor Cox advised that the Council currently held £2m in a property fund, which had seen good returns, benefiting the Council's Revenue Account. However, the Council continued to carry a notional loss of £225k in the valuation of that fund. Recognising the risk to the income and expenditure account, the Finance Team had set up a fund to prepare if the loss was realised.</p> <p>Councillor Cox moved the recommendations and the Leader seconded the motion.</p> <p>Cabinet</p> <p>1) <b>RECOMMENDED</b> to Council the approval of the Treasury Management Annual Report 2023-24;</p>

2) **NOTED** the actual position of the Prudential Indicators for 2023-24.

(Non-key Decision)

*Reasons for the Recommendations:*

*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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### **HRA REVENUE AND CAPITAL OUTTURN 2023-24**

Councillor Sarah Cox, Portfolio Holder for Corporate Finance, Property and Resources introduced the report, the purpose of which was to set out the provisional year end position for the Housing Revenue Account (HRA) for 2023-24 (subject to External Audit approval) and to provide information on the Council's HRA balances and reserves.

Councillor Cox noted that despite the backlog in the audit of accounts for local authorities, the Council's Finance Team had met the deadline for the publication of the draft Statement of Accounts by the 31 May 2024.

Councillor Cox advised that the overall position was an overspend on the approved budget of £2k, with a carry forward of a further £203k into 2024/25. This resulted in the deficit of £943k and to draw on reserves of just under £1.2m (planned for in the Council's Business Plan).

Councillor Cox highlighted that there were a number of significant variations, in particular the reduction in arrears balances and the age of these balances, due to the increased focus on debt recovery. This had formed an action plan, which was submitted to Cabinet on a regular basis. The work had led to a reduction in the provision for non-payment of arrears, resulted in a saving of £57k.

Councillor Cox confirmed that spend against the Capital Programme had performed well, with the largest variation being in respect of the Affordable Housing Purchase, which had been delayed due to issues with the developer.

Councillor Cox moved the recommendations and the Leader seconded the motion, noting the good work that had been undertaken by officers in producing reports for Members and also the work on arrears and the additional resource put to it.

In response to the Leader, Dawn Garton, Director for Corporate Services confirmed

that the HRA Business Plan was a 30 year Plan. It was uncertain when Government would review the Code of Audit Practice, which dictated the audit deadlines.

Cabinet **NOTED** the provisional year end position, variations to the 2023-24 approved budget and the resultant effect on the Council's HRA balances and reserves for both revenue and capital.

(Non-key Decision)

*Reason for Recommendation:*

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

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### **GENERAL FUND REVENUE AND CAPITAL OUTTURN 2023-24**

Councillor Sarah Cox, Portfolio Holder for Corporate Finance, Property and Resources introduced the report, the purpose of which was to provide Members with information on the provisional year end for General Fund services for 2023/24 and the subsequent implications on the Council's balances and reserves.

Councillor Cox advised that there was an underspend of £634k on General Expenses, leading to an increased balance on the corporate priority reserves of £381k after allowing for carry forwards. There were a number of significant variations both in under and over spends, particularly that relating to debt management, which had been a key focus following the previous Scrutiny review. This focus has led to the write-off of unrecoverable debts and to a net reduction in bad debt provision, which had led to a saving of £25k. However, the primary reason for the overall underspend was due to the receipt of non-recurring grant income and increased investment income. It was therefore important that the Council remain financially prudent in its activities and spending plans.

Councillor Cox confirmed that there was an underspend of £50k on Special Expenses Melton Mowbray, which resulted in an increased position on the reserve of £16k, primarily due to less expenditure on play area maintenance, offset by reduced income at the cemetery. Special Expenses would continue to be a challenge, in respect of the cemetery and the cost of future provision. This needed to be considered by Members working on the future budgets for this fund.

Councillor Cox thanked budget holders and the Finance Team for their work to manage budgets, resulting in a positive outcome for the General Fund.

Councillor Cox moved the recommendations and the Leader seconded the motion.

The Leader highlighted that not drawing money down from reserves was a very sound decision, taking into account the global situation. On the outturn, there was an underspend on Member allowances of approximately £20k, due to having one less Portfolio Holder and having representatives sitting on various committees and

receiving 1 allowance. Since the college had withdrawn from the theatre project, the Council proposed that the £2m for use elsewhere for a similar project within Melton and we await the Government's decision on that.

During discussion the following points were noted:

- There was disappointment that the theatre proposals were not progressing but it was important to retain the £2m funding within Melton. It was noted that paragraph 4.4.4 of the report clearly set out the Council's aspirations to use the £2m funding.
- Cabinet efforts to reduce the spend on Member allowances etc had resulted in a saving of approximately £20k per year (£80k over the four years).
- The Council had received cross party support from colleagues at Rutland County Council, concerning proposals for the use of the £2m being retained in Melton.

Cabinet

- 1) **NOTED** the provisional year end position, variations to the 2023-24 approved budget and the resultant effect on the Council's balances and reserves for General and Special Expenses and revenue and capital;
- 2) Subject to final confirmation from Government, **APPROVED** the re-purposing of the £2m Levelling Up Fund (LUF) grant from the theatre to the Stockyard project to fund improvements to the existing trader hall and associated infrastructure in support of an enhanced cultural offer;
- 3) **INCREASED** the current £11m in the capital programme for the stockyard project to £13m, the additional £2m being fully funded through the LUF grant;
- 4) **APPROVED** submission of a planning application in relation to the required works.

(Non-key Decision)

*Reasons for Recommendations*

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

*There is a need to reallocate funding from the theatre project in order to ensure that portion of the LUF funding is not lost to the area.*

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**CORPORATE PERFORMANCE AND PROGRESS REPORT FOR QUARTER 4 2023-24**

Councillor Margaret Glancy, Deputy Leader and Portfolio Holder for Governance, Environment and Regulatory Services introduced the report, the purpose of which was to update Members on the progress in delivering the aspirations set out in the Council's Corporate Strategy 2020-2024.

Councillor Glancy advised that the latest position at the end of quarter 4 showed that the Council were performing well across a range of services and in delivery of its Corporate Strategy. These areas included:

- Anti-social behaviour (ASB) cases – there were 27 cases in quarter 4, which was the lowest figure since quarter 1 in 2021/22. However, officers had been dealing with some very complex cases this quarter, which had been time intensive and had included the closure of properties and injunctions.
- Rent collected as a percentage of the rent due in year – the Council had achieved better performance in rent collection during quarter 4. Although not meeting targets, the trend was positive at 97.35%.

Councillor Glancy confirmed that where areas were in need of improvement, officers had developed plans to address the issues. These included:

- Homelessness – a higher number of priority need cases during December 2023 had resulted in an increase requirement for bed and breakfast accommodation. The Council had a limited number of 2/3 bedroom properties to house families and this had resulted in a delay of families moving out from temporary accommodation.
- Percentage of occupied commercial units in Council ownership - occupancy in the Council's commercial units had dipped to 90% from a full occupancy. There were 2 units vacant, which officers were actively marketing to interested parties.

Councillor Glancy thanked the Community Safety Team for their work to provide high quality services and in do so, moved the recommendations. The Leader seconded the motion, thanking the Team and Councillors Sharon Butcher and Sarah Cox for their work on anti-social behaviour.

Councillor Cox added her thanks to the Community Safety Team, highlighting their significant work in areas such as obtaining closure orders against people causing disruption within the community, supporting neighbours, securing Police and Crime Commissioner funding, taking anti-vandalism measures in respect of preventing roof climbing and graffiti and the town's CCTV camera initiative.

Cabinet **NOTED** the contents of the report and **PROVIDED** any observations or actions to the relevant officers accordingly.

(Non-key Decision)

*Reason for Recommendation*

*Having established a 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.*

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**PRODUCTIVITY PLAN**

Councillor Margaret Glancy, Deputy Leader and Portfolio Holder for Governance, Environment and Regulatory Services introduced the report, the purpose of which was to update Members on the overall approach to the Council's Financial

Sustainability Plan and Productivity Programme and to seek authority to submit the Productivity Plan in accordance with the deadline of 19 July 2024.

Councillor Glancy advised that the planned submission may be a new Government requirement but the Council had always focussed on productivity and efficiency, in order to ensure it continued to balance its finances. The document formalised the good practise already undertaken by the Council.

Councillor Glancy highlighted the Council's Service Review Programme at Appendix 2, which had commenced with the Customer Journey Review recently considered by Scrutiny Committee. The Council's Financial Sustainability Plan would be developed further as part of the budget.

Councillor Glancy that submission of the Productivity Plan presented an opportunity to bring together what the Council had done, continued to do and planned to do in the future. It was also an opportunity to highlight to Government the barriers to success and how it can help in the various areas.

Councillor Glancy thanked officers for their work and in do so, moved the recommendations. The Leader seconded the motion,

Cabinet

- 1) **APPROVED** the submission of the Productivity Plan to the Government by 19th July 2024;
- 2) **APPROVED** the publication of the Productivity Plan on the Council's website following this submission;
- 3) **APPROVED** the Council's wider approach to financial sustainability and productivity programme.

(Non-key Decision)

*Reasons for Recommendations*

*The report sets out an update on the Council's approach to developing and approving our Financial Sustainability Plan and Productivity Programme; setting out our plans for delivering on this in the medium term.*

*The report also sets out the proposed response to the Government's request to submit a Productivity Plan.*

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**WRITE-OFF IRRECOVERABLE DEBTS**

Councillor Sarah Cox, 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.

Councillor Cox highlighted

- The increased focus on debt recovery had a positive impact on the Council's bad debt provision.
- There was more work to be done, particularly in sundry debts and rent recovery.
- Concerning council tax collection, the Council was within the top quartile nationally and was a 'top performer' in Leicestershire in 2023/24, increasing its collection rate by 0.17% over the previous year.
- Business rates performance also compared well to other Leicestershire authorities, which was significant in view of the cost of living crisis.
- Early intervention and support for rent arrears prevented the accrual of large debts.
- All debts proposed for write off in the report had followed the steps set out within the Council's Corporate Debt Recovery Policy.

Councillor Cox moved the recommendations and the Leader seconded the motion, noting that if Members wished to comment on the exempt appendices (Appendices 1, 2 and 3), the meeting would need to enter exempt session.

The Leader highlighted that the Council had an excellent partnership with the Melton and District Money Advice Centre (MADMAC), who provided free money and debt management advice to the public. MADMAC would address Members at Council on 25 July.

During discussion the following points were noted:

- Members thanked officers for the report.
- Members were pleased that the Council had a process in place and its partnership with MADMAC, to help prevent/manage debt.

Cabinet

- 1) **NOTED** the action taken by the Council to recover outstanding debts;
- 2) **AUTHORISED** the Chief Finance Officer to write off of the debts shown in Appendices 1-3 of the report.

(Key Decision)

*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: 5.02 pm

Chair



