

Public Document Pack

NORTH HERTFORDSHIRE DISTRICT COUNCIL

CABINET

TUESDAY, 10TH SEPTEMBER, 2024

SUPPLEMENTARY AGENDA

Please find attached supplementary papers relating to the above meeting, as follows:

Agenda No Item

6. **ITEMS REFERRED FROM OTHER COMMITTEES (Pages 3 - 22)**

Any Items referred from other committees will be circulated as soon as they are available.

- 6a) Community Survey Round Two Results – Overview and Scrutiny Committee – 3 September 2024 – **to be considered with Agenda Item 7.**
- 6b) The Council Plan 2024-2028 – Overview and Scrutiny Committee – 3 September 2024 - **to be considered with Agenda Item 8.**
- 6c) Council Delivery Plan Q1 Update – Overview and Scrutiny Committee – 3 September 2024 - **to be considered with Agenda Item 12.**
- 6d) First Quarter Investment Strategy (Capital and Treasury) Review 2024/25 – Finance, Audit and Risk Committee – 4 September 2024 – **to be considered with Agenda Item 13.**
- 6e) First Quarter Revenue Budget Monitoring 2024/25 – Finance, Audit and Risk Committee – 4 September 2024 - **to be considered with Agenda Item 14.**
- 6f) Medium Term Financial Strategy 2025-30 – 4 September 2024 - **to be considered with Agenda Item 15.**

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Item No	Referred from:	OVERVIEW AND SCRUTINY COMMITTEE
6A	Date:	3 SEPTEMBER 2024
	Title of item:	COMMUNITY SURVEY ROUND TWO RESULTS (MARCH – MAY 2024)
To be considered alongside agenda item:	AGENDA ITEM 7	

The report considered by Overview and Scrutiny Committee at the meeting held on 3 September 2024 can be viewed here [Agenda for Overview and Scrutiny Committee on Tuesday, 3rd September, 2024, 7.30 pm | North Herts Council \(north-herts.gov.uk\)](#).

RECOMMENDED TO CABINET: That Cabinet consider the recommendations and comments from Overview and Scrutiny Committee.

REASONS FOR DECISION: To ensure that Overview and Scrutiny and Cabinet are aware of the round two results of our digital Community Survey and how they compare to both our round one (2023) results and the Local Government Association (LGA) February 2024 Resident Satisfaction phone survey results.

Audio recording –

Councillor Daniel Allen, as Leader of the Council, presented the report entitled ‘Community Survey Round Two Results (March-May 2024)’ and advised that:

- The first digital residents survey was conducted last year by Zensity.
- Digital surveys were able to be conducted more regularly than phone surveys, to provide ‘of the moment’ opinions from residents.
- As this was the second survey conducted in this way, the current satisfaction levels of residents can be directly compared with the results from last year.
- The sample size aimed to be representative of the North Herts population as possible by using 2021 Census population data to guide who their digital adverts targeted.
- It was noted that satisfaction scores were often lower on digital surveys than those conducted by phone, where interviewers can explain questions in more detail and build a relationship with the interviewee.
- Surveys were just one method of how the Council received feedback from residents, with Councillor surgeries and forums offering in-person opportunities to provide feedback.
- There had been a 3% increase in satisfaction with waste and recycling services, the Council providing value for money, and how the Council involved, consulted, engaged and listened to residents.
- Residents had continued to be satisfied with North Herts as a place to live (74%), and around two thirds had said they would recommend it as a place to live.
- There had been a 3% increase in trust in North Herts Council, with a 22% increase in Royston and a 12% in Southern Rural areas compared to 2023.

The following Members asked questions:

- Councillor Jon Clayden
- Councillor Claire Winchester
- Councillor Ralph Muncer

- Councillor Elizabeth Dennis
- Councillor Tom Tyson
- Councillor Donna Wright
- Councillor Laura Williams
- Councillor Tina Bhartwas
- Councillor Martin Prescott
- Councillor Matt Barnes
- Councillor Daniel Wright-Mason
- Councillor Louise Peace

In response to questions, Councillor Daniel Allen advised that:

- The digital survey was one way of receiving feedback from residents and there were other non-digital methods, such as Councillor surgeries, Community Forums, Ward Walks, customer complaints and contact via the website.
- The Council had two further rounds of surveys to be conducted by Zensity, and it was felt that a new approach should be taken in future, which would allow for more targeted and specific questions.
- There had been a 'who does what' poster produced to try and provide detail on which services were provided by District and County Councils, which had been promoted online and in print.
- He was confident that the Communications team were able to put out the information, but it was difficult when you try to engage but this is not listened to.
- There had been an increase in direct communication with the public through increased surgeries and forums.
- Whilst there were some issues the Council could not improve, such as roads, there would be a focus on the issues which could be addressed, such as housing, car parking, provision of activities for young people and teenagers and listening to residents.
- Further questions directed at young people and teenagers could be added to the next survey to scope out what provisions or support they would require from the Council.
- Letchworth was an outlier where several levels of government or charitable organisations existed which was contributing the specific concerns raised in the town.
- The Council wanted to make sure that Councillors were visible to residents, which was being done through increasing the number of surgeries and forums which residents could attend and speak to Councillors.
- The demise of local press had also been a factor in declining communication with residents. However, the Council was exploring different ways of engaging with residents, such as using YouTube videos, as had been recently demonstrated with a recruitment video which increased traffic to the recruitment page.
- The number of responses from an area was based on the most recent census population data.
- Ward walks were an opportunity for Councillors to discuss Ward issues which affected their residents with the Managing Director. They are not publicised in advance but often involve talking to residents too.
- Surgeries were already provided for direct contact by residents and Ward Walks were to look at specific issues within a ward, not to attract public to raise specific issues, therefore it would not be suitable to advertise these.

In response to questions, the Communications Manager advised that:

- It was unclear why the Royston scores had a red exclamation mark note next to them and this would be clarified after the meeting.

- One of the limitations of Zencity was that the survey was owned and managed by them. Previous internally conducted surveys were provided in different ways and could be promoted using various methods to reach more people, including those without digital means.
- The contract with Zencity was until March 2025, with two further surveys planned between September and November 2024 and January and March 2025.
- The 'who does what' services artwork, which highlighted the services provided by District and County Councils, had been shared across digital channels, was published in the most recent Outlook magazine and had been used by Councillors in conversations with residents.
- Communicating to residents that the Council had listened to feedback from community surveys and were taking action required a whole Council approach and more work was required to find out why messaging was not getting through and what else needed to be done.
- A free text question asking 'How can the Council improve the running of North Herts' had been included in this survey, as with previous surveys.
- Any future surveying alternatives would need to provide value for money, reach a wider number of residents, allow for flexibility and be able to reach people through without digital means.
- As outlined in the Community Survey 5-point action plan included in the appendix to the report, some actions were already being taken to address issues raised, however there would need to be more focus on developing the understanding of what Councillors do.
- There was the ability to drill down into demographics of the Zencity results, however just the headlines were presented within the report.
- She had received results from a similar size council who had conducted surveys through Zencity, but these had not yet been made public and therefore could not be shared. However, North Herts was roughly 10% above the other council.
- A specific session with Letchworth residents could be set up to help understand specific concerns from residents of the town.
- The Budget Hub had been established to raise awareness of the financial situation that local authorities are in and to allow residents to provide feedback and thoughts on proposals.
- The hub process was new to the Council. The Climate Hive had been active for around 18 months and had around 400 subscribers, the Budget Hub had around 200 in a shorter period, which was a good start.
- Herts County Council conducted an annual survey with residents.
- The results of the survey could be shared publicly on the Council website.

In response to questions, Councillor Val Bryant advised that the Police were conducting a trial in schools in Hitchin in autumn to get young people to engage with the priority setting for the area, where previously no input from this group had been provided.

The following Members took part in the debate:

- Councillor Jon Clayden
- Councillor Ralph Muncer
- Councillor Elizabeth Dennis

The following points were raised as part of the debate:

- Some of the questions included were not very actionable and it would be difficult to know how to address these with such broad terms. Consideration should be given to whether questions were posed in the most useful way and whether the response received could be turned into actionable policies.

- It was important that previous results continue to be used to benchmark for future surveys when the contract with Zencity came to an end. If there were significant differences, it would make it difficult to monitor trends over time and compare against previous performance.
- The 5 point plan should be a live and agile document which should be revised and refreshed. Actions should not only be ticked off but should be reviewed to consider the effectivity of the action at improving results.
- Ward walks could be used more effectively to become a genuine outreach option.

Councillor Matt Barnes, as Chair, proposed and Councillor Tom Tyson seconded and, following a vote, it was:

RESOLVED: That Committee commented on and noted the key findings and observations from round two of the Community Survey and commented on the approach to future surveys (as detailed in section 8.7.2).

RECOMMENDED TO CABINET: That Cabinet consider the recommendations and comments from Overview and Scrutiny Committee.

REASONS FOR DECISION: To ensure that Overview and Scrutiny and Cabinet are aware of the round two results of our digital Community Survey and how they compare to both our round one (2023) results and the Local Government Association (LGA) February 2024 Resident Satisfaction phone survey results.

Item No	Referred from:	OVERVIEW AND SCRUTINY COMMITTEE
6B	Date:	3 SEPTEMBER 2024
	Title of item:	COUNCIL PLAN 2024-2028
To be considered alongside agenda item:		AGENDA ITEM 8

The report considered by Overview and Scrutiny Committee at the meeting held on 3 September 2024 can be viewed here [Agenda for Overview and Scrutiny Committee on Tuesday, 3rd September, 2024, 7.30 pm | North Herts Council \(north-herts.gov.uk\)](#).

RECOMMENDED TO CABINET:

- (1) That Cabinet reviews and recommends the approval of the Council Plan to Full Council (Appendix A) with the four new Council Priorities as outlined below:
 - Thriving Communities
 - Accessible Services
 - Responsible Growth
 - Sustainability
- (2) Delegate authority to the Managing Director and Leader of the Council to approve any minor amendments to wording required as a result of the design process.

REASON FOR RECOMMENDATION: The Council Plan is a key element of the corporate business planning process, as a high level strategic document it sets out the Council's Priorities for the next four years. As an overarching policy framework document, it guides and influences the use of Council resources; providing a focus for activities, plans, and services that the Council provide. The introduction to the plan highlights the link between the Council Plan and the Medium Term Financial Strategy and service delivery plans.

Audio recording –

Councillor Daniel Allen, as Leader of the Council, presented the report entitled 'Council Plan 2024-2028' and advised that:

- The Council Plan sets out the vision and priorities of the administration over the next four years, as well as outlining key projects to support these.
- The Council Delivery Plan (CDP) and Medium Term Financial Strategy would align with this Council Plan.
- There was a workshop held in June for members of the administration where aspirations for the next four years were discussed, and previous achievements were considered.
- Following this a smaller working group was established to develop this, which included Officers and members of the administration, which was then followed up with two further administration workshops in July.
- Officers from the Policy and Communications teams had been involved in the development of the Plan.
- The version presented was a plain text version and further graphics and design would be added at a later stage.

- The overarching theme was 'Working with you for a fairer, greener North Herts', with the four priorities being 'Thriving Communities', 'Accessible Services', 'Responsible Growth' and 'Sustainability'.

The following Members asked questions:

- Councillor Ralph Muncer
- Councillor Laura Williams
- Councillor Elizabeth Dennis
- Councillor Martin Prescott
- Councillor Tom Tyson
- Councillor Matt Barnes

In response to questions, Councillor Daniel Allen advised that:

- These four priorities had been chosen following evaluation of other Council Plans, consideration of national changes and what the Council wanted to offer. These were decided as achievable priorities over the next four years.
- The Council had reopened the Council offices to the public, were available on the phone and Councillors were available in the community to engage with residents without, or with limited, digital access.
- An annual review of the Plan could be brought to the Committee, should that be requested.
- Finance was the biggest issue facing the delivery of the Plan.
- A response on whether there were areas that would be reduced, with the adoption of the new Plan and its priorities, would be provided outside of the meeting.

In response to questions, the Policy and Strategy Team Leader advised that:

- Responses from Round Two of the Community Survey had not been directly considered with the Plan, but the concepts and ideas have been addressed by some policies and actions within it.
- The Plan did not include everything that would be done over the next four years, but the administration wanted to highlight the key areas where priority would be given, with further detail to be provided in service plans.
- Projects to improve provision for young people had been addressed in the Plan.
- The Plan noted that not all residents had digital access and the Policy team would flag any concerns regarding consultations or reviews where inadequate consideration to non-digital methods existed.
- Support for businesses was included within the 'Responsible Growth' priority, which covered both developments, as well as economic growth. This included the Tourism and Town Centre strategies for engagement with business.
- There were many projects which could fall within multiple priority areas and the most suitable had been chosen.
- The Plan could be reviewed, when requested, and the working group could look at the publication and monitoring of the Plan.
- An explanation could be added to provide context to 'net zero'.

In response to questions, Councillor Ian Albert advised that:

- The CDP sat under the Council Plan and ensured that the key aspects of the Plan were being managed well and reviewed.
- Overview and Scrutiny could review the CDP and make judgements on performance against the Plan.

- It was not always easy to measure performance, but the CDP helped to reflect what was being done to address the areas within the Council Plan.
- Resources would continue to be an issue, not just finance, but staffing, including the retention and recruitment of staff, was important to deliver on many projects going forward.
- The production of an Economic Development Strategy and Tourism Strategy would be hugely valuable, and the input of Overview and Scrutiny would be key to developing these.
- The Council Plan offered an overarching theme, but other strategies and policies would be developed outside of those listed in the report.
- It was vital that this was communicated to residents through different means.

In response to questions, the Service Director – Place advised that reference to increased opportunity to recycle had been included as changes to the waste collection service would include soft plastic recycling, as well as the introduction of a new bin for paper and cardboard, which would overall increase volume capacity for recycling.

The following Members took part in the debate:

- Councillor Elizabeth Dennis
- Councillor Ralph Muncer
- Councillor Daniel Wright-Mason
- Councillor Martin Prescott
- Councillor Tina Bhartwas

The following points were raised as part of the debate:

- The process for the production of a Council Plan was always tight, but this felt unfinished, with some priorities lacking clarity and would be difficult for residents to know what they meant in reality. It would be helpful to include some commentary on each to outline what the aim was and what would indicate having achieved it.
- Where timeframes for projects and initiatives were known, these should be included within the Plan.
- There was a lack of tangibility with some of the priorities and they needed to be tied down to actionable content.
- Achieving net zero was already an aim of the Council and strategies had already been developed to help achieve this. Where things had not been achieved, it was important to be honest and open about these areas.
- It was a good start, but needed further development to be a strong, strategic, priority setting document.
- Some areas still had multiple tasks which required completion and there was too much included, with more focus on key areas needed.
- An annual review of the Plan, presented by the Leader, at Scrutiny would be helpful in monitoring performance.
- Would be a good idea to include some of the challenges that local authorities face and make this clearer to set the scene for residents.
- The district council was one layer of government in North Herts, and it would be useful to explore the relationship with others and reflect that in this document.
- More emphasis should be placed on the link to the Citizens Panel, which would be a good way to encourage engagement.
- It would be useful to have some key performance indicators or measurable content against which performance could be judged.
- This was a good Plan with substance that was meaningful. It contained clear objective and whether they were achievable was for the Executive to consider.

In response to a point of clarification, the Committee, Member and Scrutiny Manager advised that this Committee was making recommendations to Cabinet on the Council Plan and comments at the meeting would be provided at the Cabinet meeting where the item was to be considered.

Councillor Matt Barnes, as Chair, proposed and Councillor Tom Tyson seconded and, following a vote, it was:

RECOMMENDED TO CABINET:

- (1) That Cabinet reviews and recommends the approval of the Council Plan to Full Council (Appendix A) with the four new Council Priorities as outlined below:
 - Thriving Communities
 - Accessible Services
 - Responsible Growth
 - Sustainability
- (2) Delegate authority to the Managing Director and Leader of the Council to approve any minor amendments to wording required as a result of the design process.

REASON FOR RECOMMENDATION: The Council Plan is a key element of the corporate business planning process, as a high level strategic document it sets out the Council's Priorities for the next four years. As an overarching policy framework document, it guides and influences the use of Council resources; providing a focus for activities, plans, and services that the Council provide. The introduction to the plan highlights the link between the Council Plan and the Medium Term Financial Strategy and service delivery plans.

Item No	Referred from:	OVERVIEW AND SCRUTINY COMMITTEE
6C	Date:	3 SEPTEMBER 2024
	Title of item:	COUNCIL DELIVERY PLAN 2024-25 (Q1 UPDATE)
To be considered alongside agenda item:		AGENDA ITEM 12

The report considered by Overview and Scrutiny Committee at the meeting held on 3 September 2024 can be viewed here [Agenda for Overview and Scrutiny Committee on Tuesday, 3rd September, 2024, 7.30 pm | North Herts Council \(north-herts.gov.uk\)](#).

RECOMMENDED TO CABINET: That Cabinet notes the progress against Council projects as set out in the Council Delivery Plan (Appendix A) including the new milestones that have been set for the current year.

REASON FOR RECOMMENDATION: The Council Delivery Plan (CDP) monitoring reports provide Overview and Scrutiny, and Cabinet, with an opportunity to monitor progress against the key Council projects, and understand any new issues, risks, or opportunities.

Audio recording –

The Service Director – Resources presented the report entitled ‘Council Delivery Plan 2024-25 (Quarter 1 Update)’ and advised that:

- The Council Delivery Plan (CDP) had been shortened following comments from Overview and Scrutiny Committee throughout the 2023/24 Civic Year.
- Projects could be added into the CDP to reflect the new Council Plan, if required.
- A report around KPIs was brought to the Committee in June 2024 to agree what would be included, and regular updates were agreed.
- The quarter 1 update is to end of June 2024, but some further information had been added to around mid-August.
- All milestones were new, and as there were now fewer projects, the aim was to provide more detail on the milestones for each project.
- There were 5 amber rated performance indicators, and these were outlined, alongside contextual commentary, at paragraphs 8.3 and 8.4 of the report.
- The County Council had previously funded the flu vaccine for staff but had confirmed they would not continue to do that this year, so options for funding would need to be explored to support this.
- It was difficult to establish comparative staff turnover data with other authorities, but there was some general data provided by the LGA. However, this covered all authority types, where some may run services in house and would not be a fair comparison.
- Leisure centres visits were doing well against performance indicators, but target was set against the target from last year, not the actual number achieved last year, which exceeded the target.

The following Members asked questions:

- Councillor Ralph Muncer
- Councillor Matt Barnes

- Councillor Elizabeth Dennis
- Councillor Jon Clayden
- Councillor Donna Wright

In response to questions, the Service Director – Resources advised that:

- The biggest issue with staffing was where the vacancies were and if a number existed in one team, then contractors were required to fulfil the service. It could be explored whether the position vacancy rate could be provided and whether it would add context.
- Staff surveys were conducted infrequently so would not be reported on a quarterly basis. The recent survey was still being reviewed.
- Some KPIs of third party contractors had been included where it was deemed most relevant.
- A piece of work could be conducted to look at the rise in alarm calls to Careline and further information could be provided. This could be supplemented by a presentation from Careline, or the Executive Member.
- Numerical changes in trends could be provided rather than up or down arrows, which may help to provide context.
- Major projects would have a project board in place, and, at end of project, a lesson learnt report would be compiled and presented to the Officer Leadership Team. This could come to Scrutiny, if requested, and was shared with other project managers to help with the learning of lessons.
- Clarity would need to be provided on the Local Plan Review project from the Executive Member.
- Details on the number of EV charging points to be installed could be provided outside of the meeting.

In response to questions, the Service Director – Place advised that:

- The Letchworth depot lease assignment had now been completed.
- The appointment of a quantity surveyor to oversee the Leisure Centre Decarbonisation Project was in progress, with an appointment expected shortly.
- The first waste mobilisation project board was due to meet tomorrow. There was a work programme in place, but due to delays in the completion of the depot leaser, the milestone dates had not yet been published.

Councillor Matt Barnes, as Chair, proposed and Councillor Donna Wright seconded and, following a vote, it was:

RESOLVED:

- (1) That Overview and Scrutiny Committee commented on the Council Delivery Plan Quarter 1 monitoring report, including the recommendations made to Cabinet.
- (2) That Overview and Scrutiny Committee determined any project that they want to receive more detail on as part of the next monitoring report.

RECOMMENDED TO CABINET: That Cabinet notes the progress against Council projects as set out in the Council Delivery Plan (Appendix A) including the new milestones that have been set for the current year.

REASON FOR RECOMMENDATION: The Council Delivery Plan (CDP) monitoring reports provide Overview and Scrutiny, and Cabinet, with an opportunity to monitor progress against the key Council projects, and understand any new issues, risks, or opportunities.

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Item No	Referred from:	FINANCE, AUDIT AND RISK COMMITTEE
6D	Date:	4 SEPTEMBER 2024
	Title of item:	FIRST QUARTER INVESTMENT STRATEGY (CAPITAL AND TREASURY) REVIEW 2024-25
To be considered alongside agenda item:		AGENDA ITEM 13

The report considered by Finance, Audit and Risk Committee at the meeting held on 4 September 2024 can be viewed here [Agenda for Finance, Audit and Risk Committee on Wednesday, 4th September, 2024, 7.30 pm | North Herts Council \(north-herts.gov.uk\)](#).

RECOMMENDATIONS TO CABINET:

- (1) That Cabinet notes the forecast expenditure of £30.415M in 2024/25 on the capital programme, paragraph 8.3 refers.
- (2) That Cabinet notes the position of the availability of capital resources, as detailed in table 2 paragraph 8.10 and the requirement to keep the capital programme under review for affordability.
- (3) Cabinet is asked to note the position of Treasury Management activity as at the end of June 2024.
- (4) Cabinet is asked to approve that we should proceed with the Local Authority Housing Fund round 3 and submit the Memorandum of Understanding so that we can receive the initial allocation of funds.

That Cabinet recommends to Council

- (5) That Council approves a capital budget of £0.080M to fund the purchase and installation of a new chiller at the museum, paragraph 8.4 refers.
- (6) That Council approves a capital budget of £1.920M (£0.96M in 24/25 and £0.96M in 25/26) for round 3 of the Local Authority Housing Fund. This will be fully funded from Government grants and housing provider contributions, paragraph 8.5 refers.
- (7) That Council approves bringing forward £0.008M of the backup and business continuity hardware capital budget (from 2025/26 to 2024/25) and reducing the 2025/26 budget to £0.057M.

REASONS FOR RECOMMENDATIONS:

- (1) Cabinet is required to approve adjustments to the capital programme and ensure the capital programme is fully funded.
- (2) To ensure the Council's continued compliance with CIPFA's code of practice on Treasury Management and the Local Government Act 2003 and that the Council manages its exposure to interest and capital risk.

Audio recording – 1 hour 45 minutes 14 seconds

N.B Councillor Paul Ward declared an interest and left the Chamber at 21:16, Councillor Griffiths returned to the Chamber at 21:18.

The Service Director – Resources presented the report entitled 'First Quarter investment Strategy (Capital and Treasury) Review 2024-25' and highlighted that:

- The details in relation to current investments were highlighted in the report appendix.
- The returns from investments in Local Authorities were currently the highest performers and these equated to 77% of all investments. Local Authority investments were generally a lower risk than banks or building societies and were providing better returns. This was not always the case as during Covid banks and building societies provided higher returns.
- There was an ongoing review of the Capital programme and therefore the analysis provided in the report was not as detailed as previous reports, a more in-depth analysis would be presented to the Committee in quarter 2.
- It was proposed that a small amount of the IT spend scheduled for 2025-26 be brought forward to 2024-25, this would save money and was detailed in paragraph 8.9 of the report.
- It was becoming no longer viable to repair the chiller at the North Herts Museum and a spend of £80K was proposed to replace the chiller.
- Details of the Local Authority Housing Fund award were highlighted in paragraphs 8.5 to 8.8 of the report. Funding had been awarded for 10 properties and approval was sought from Council to add this item to the Capital programme.
- It was anticipated that housing providers would provide any required match funding.

The following Members asked questions:

- Councillor Ruth Brown
- Councillor Dominic Griffiths

In response to questions, the Service Director – Resources advised that:

- Settle had provided match funding for the previous Local Authority Housing Fund awards.
- The forecast of external debts shown on page 177 of the report, was calculated from forecast capital spend, it was likely that any future borrowing would commence with internal borrowing.
- The total forecast debt assumed the full delivery of the Capital programme.
- There was a multi-million provision for the new waste vehicles which formed part of the new contract and was factored into the contract costs.
- A provision had been made in the near future for a new waste depot, which could be moved to later years.
- Borrowing was likely to be required for any Churchgate project. As with any capital spend the cost would be spread over the lifespan of the asset.
- It was a normal for Local Authorities to borrow for investments, capital spend was required to keep running services.

Councillor Vijaiya Poopalasingham proposed and Councillor Ruth Brown seconded and, following a vote, it was:

RESOLVED: That the Finance, Audit and Risk Committee noted the report.

RECOMMENDATIONS TO CABINET:

- (1) That Cabinet notes the forecast expenditure of £30.415M in 2024/25 on the capital programme, paragraph 8.3 refers.
- (2) That Cabinet notes the position of the availability of capital resources, as detailed in table 2 paragraph 8.10 and the requirement to keep the capital programme under review for affordability.
- (3) Cabinet is asked to note the position of Treasury Management activity as at the end of June 2024.
- (4) Cabinet is asked to approve that we should proceed with the Local Authority Housing Fund round 3 and submit the Memorandum of Understanding so that we can receive the initial allocation of funds.

That Cabinet recommends to Council

- (5) That Council approves a capital budget of £0.080M to fund the purchase and installation of a new chiller at the museum, paragraph 8.4 refers.
- (6) That Council approves a capital budget of £1.920M (£0.96M in 24/25 and £0.96M in 25/26) for round 3 of the Local Authority Housing Fund. This will be fully funded from Government grants and housing provider contributions, paragraph 8.5 refers.
- (7) That Council approves bringing forward £0.008M of the backup and business continuity hardware capital budget (from 2025/26 to 2024/25) and reducing the 2025/26 budget to £0.057M.

REASONS FOR RECOMMENDATIONS:

- (1) Cabinet is required to approve adjustments to the capital programme and ensure the capital programme is fully funded.
- (2) To ensure the Council's continued compliance with CIPFA's code of practice on Treasury Management and the Local Government Act 2003 and that the Council manages its exposure to interest and capital risk.

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Item No	Referred from:	FINANCE, AUDIT AND RISK COMMITTEE
6E	Date:	4 SEPTEMBER 2024
	Title of item:	FIRST QUARTER REVENUE BUDGET MONITORING 2024/25
To be considered alongside agenda item:		AGENDA ITEM 14

The report considered by Finance, Audit and Risk Committee at the meeting held on 4 September 2024 can be viewed here [Agenda for Finance, Audit and Risk Committee on Wednesday, 4th September, 2024, 7.30 pm | North Herts Council \(north-herts.gov.uk\)](#)

RECOMMENDATIONS TO CABINET:

- (1) That Cabinet note this report.
- (2) That Cabinet approves the changes to the 2024/25 General Fund budget, as identified in table 3 and paragraph 8.2, a £858k decrease in net expenditure.
- (3) That Cabinet notes the changes to the 2025/26 General Fund budget, as identified in table 3 and paragraph 8.2, a total £244k increase in net expenditure. These will be incorporated in the draft revenue budget for 2025/26.
- (4) That Cabinet delegates to the Service Director: Resources (in consultation with the Executive Member for Finance and IT) authority to enter in to a Business Rate Pooling arrangement (if available) if it is estimated that it will be in the financial interests of the Council.

REASON FOR RECOMMENDATIONS: Members are able to monitor, make adjustments within the overall budgetary framework and request appropriate action of Services who do not meet the budget targets set as part of the Corporate Business Planning process.

Audio recording – 1 hour 37 minutes 58 seconds

The Service Director – Resources presented the report entitled ‘First Quarter Revenue Budget Monitoring 2024-25’ and highlighted that:

- The report highlighted the forecast spend on revenue against the budget for the year 2024-25.
- The significant changes from the budget were highlighted in table 3 of the report and it was noted that the treasury management income was higher than expected.
- The changes to the leisure contract related to the increase to the national living wage from April 2024, in future years it was expected that this would be offset against any energy price savings.
- There was a £850K reduction in total spend compared to the original forecast.
- The business rate pooling scheme was highlighted in paragraph 8.11 of the report, an invite to join this scheme was expected.
- There were advantages to being part of a business rate pool and in previous years these had included that the business rate collection was higher than the baseline level.

- The Corporate Financial Health Indicators were shown in table 5 of the report.
- The General Fund balance was expected to be £13.85M at the end of the year, it was recommended that a minimum level of £2.5M - £3M was kept in the General Fund balance.

N.B. Councillor Dominic Griffiths left the Chamber at 21:11 and was not present for the vote.

Councillor Ruth Brown proposed and Councillor Paul Ward seconded and, following a vote, it was:

RESOLVED: That the Finance, Audit and Risk Committee noted the report.

RECOMMENDATIONS TO CABINET:

- (1) That Cabinet note this report.
- (2) That Cabinet approves the changes to the 2024/25 General Fund budget, as identified in table 3 and paragraph 8.2, a £858k decrease in net expenditure.
- (3) That Cabinet notes the changes to the 2025/26 General Fund budget, as identified in table 3 and paragraph 8.2, a total £244k increase in net expenditure. These will be incorporated in the draft revenue budget for 2025/26.
- (4) That Cabinet delegates to the Service Director: Resources (in consultation with the Executive Member for Finance and IT) authority to enter in to a Business Rate Pooling arrangement (if available) if it is estimated that it will be in the financial interests of the Council.

REASON FOR RECOMMENDATIONS: Members are able to monitor, make adjustments within the overall budgetary framework and request appropriate action of Services who do not meet the budget targets set as part of the Corporate Business Planning process.

Item No	Referred from:	FINANCE, AUDIT AND RISK COMMITTEE
6F	Date:	4 SEPTEMBER 2024
	Title of item:	MEDIUM TERM FINANCIAL STRATEGY 2025-30
To be considered alongside agenda item:		AGENDA ITEM 15

The report considered by Finance, Audit and Risk Committee at the meeting held on 4 September 2024 can be viewed here [Agenda for Finance, Audit and Risk Committee on Wednesday, 4th September, 2024, 7.30 pm | North Herts Council \(north-herts.gov.uk\)](#)

RECOMMENDATION TO CABINET: The adoption of the Medium Term Financial Strategy 2025-30

REASON FOR RECOMMENDATION: Adoption of a MTFS and communication of its contents will assist in the process of forward planning the use of Council resources and in budget setting for 2025/2026 to 2029/2030, culminating in the setting of the Council Tax precept for 2025/26 in February 2025. Alongside the Council Plan, this will support the Council in setting a budget that is affordable and aligned to Council priorities.

Audio recording – 1 hour 45 minutes 14 seconds

N.B Councillor Paul Ward declared an interest and left the Chamber at 21:16, Councillor Griffiths returned to the Chamber at 21:18.

The Service Director – Resources presented the report entitled ‘First Quarter investment Strategy (Capital and Treasury) Review 2024-25’ and highlighted that:

- The details in relation to current investments were highlighted in the report appendix.
- The returns from investments in Local Authorities were currently the highest performers and these equated to 77% of all investments. Local Authority investments were generally a lower risk than banks or building societies and were providing better returns. This was not always the case as during Covid banks and building societies provided higher returns.
- There was an ongoing review of the Capital programme and therefore the analysis provided in the report was not as detailed as previous reports, a more in-depth analysis would be presented to the Committee in quarter 2.
- It was proposed that a small amount of the IT spend scheduled for 2025-26 be brought forward to 2024-25, this would save money and was detailed in paragraph 8.9 of the report.
- It was becoming no longer viable to repair the chiller at the North Herts Museum and a spend of £80K was proposed to replace the chiller.
- Details of the Local Authority Housing Fund award were highlighted in paragraphs 8.5 to 8.8 of the report. Funding had been awarded for 10 properties and approval was sought from Council to add this item to the Capital programme.
- It was anticipated that housing providers would provide any required match funding.

The following Members asked questions:

- Councillor Ruth Brown
- Councillor Dominic Griffiths

In response to questions, the Service Director – Resources advised that:

- Settle had provided match funding for the previous Local Authority Housing Fund awards.
- The forecast of external debts shown on page 177 of the report, was calculated from forecast capital spend, it was likely that any future borrowing would commence with internal borrowing.
- The total forecast debt assumed the full delivery of the Capital programme.
- There was a multi-million provision for the new waste vehicles which formed part of the new contract and was factored into the contract costs.
- A provision had been made in the near future for a new waste depot, which could be moved to later years.
- Borrowing was likely to be required for any Churchgate project. As with any capital spend the cost would be spread over the lifespan of the asset.
- It was a normal for Local Authorities to borrow for investments, capital spend was required to keep running services.

Councillor Vijaiya Poopalasingham proposed and Councillor Ruth Brown seconded and, following a vote, it was:

RESOLVED: That the Finance, Audit and Risk Committee noted the report.

RECOMMENDATION TO CABINET: The adoption of the Medium Term Financial Strategy 2025-30.

REASON FOR RECOMMENDATION: Adoption of a MTFS and communication of its contents will assist in the process of forward planning the use of Council resources and in budget setting for 2025/2026 to 2029/2030, culminating in the setting of the Council Tax precept for 2025/26 in February 2025. Alongside the Council Plan, this will support the Council in setting a budget that is affordable and aligned to Council priorities.