

# NORTH HERTFORDSHIRE DISTRICT COUNCIL

## CABINET

MEETING HELD IN THE COUNCIL CHAMBER, DISTRICT COUNCIL OFFICES, GERONON ROAD, LETCHWORTH, HERTS, SG6 3JF  
ON TUESDAY, 10TH SEPTEMBER, 2024 AT 7.30 PM

## MINUTES

**Present:** *Councillors: Daniel Allen (Chair), Val Bryant (Vice-Chair), Ian Albert, Amy Allen, Mick Debenham, Tamsin Thomas and Dave Winstanley.*

**In Attendance:** *Georgina Chapman (Policy & Strategy Team Leader), Ian Couper (Service Director - Resources), Christine Crofts (Communications Manager), Jo Doggett (Service Director - Housing & Environmental Health), Ian Fullstone (Service Director - Regulatory), Sarah Kingsley (Service Director - Place), Martin Lawrence (Strategic Housing Manager), Susan Le Dain (Committee, Member and Scrutiny Officer), James Lovegrove (Committee, Member and Scrutiny Manager), Anthony Roche (Managing Director), Nigel Smith (Strategic Planning Manager) and Jeanette Thompson (Service Director - Legal and Community).*

**Also Present:** *At the commencement of the meeting there was 1 members of the public present.*

*Councillor Matt Barnes was in attendance as Chair of the Overview and Scrutiny Committee.*

*Councillor Sean Nolan was in attendance as Chair of the Finance Audit and Risk Committee.*

### 43 APOLOGIES FOR ABSENCE

*Audio recording – 2 minutes 07 seconds*

No apologies for absence were received.

### 44 MINUTES - 25 JUNE 2024 AND 9 JULY 2024

*Audio Recording – 2 minutes 14 seconds*

Councillor Daniel Allen, as Chair proposed and Councillor Val Bryant seconded and, following a vote it was:

**RESOLVED:** That the Minutes of the Meeting of the Committee held on 25 June 2024 and 9 July 2024 be approved as a true record of the proceedings and be signed by the Chair.

### 45 NOTIFICATION OF OTHER BUSINESS

*Audio recording – 2 minutes 58 seconds*

There was no other business notified.

## 46 CHAIR'S ANNOUNCEMENTS

*Audio recording – 3 minutes 04 seconds*

- (1) The Chair advised that, in accordance with Council Policy, the meeting would be recorded.
- (2) The Chair reminded Members that the Council had declared both a Climate Emergency and an Ecological Emergency. These are serious decisions, and mean that, as this was an emergency, all of us, Officers and Members had that in mind as we carried out our various roles and tasks for the benefit of our District.
- (3) The Chair drew attention to the item on the agenda front pages regarding Declarations of Interest and reminded Members that, in line with the Code of Conduct, any Declarations of Interest needed to be declared immediately prior to the item in question.
- (4) The Chair advised for the purposes of clarification that 4.8.23(a) of the Constitution did not apply to this meeting.
- (5) The Chair advised of a change in the order of the agenda. Agenda Item 15 would be considered after Agenda Item 8.
- (6) The Chair advised Members that all residents were invited to take part in the Churchgate conversation to help shape the future vision of the Churchgate shopping area of Hitchin, via an online survey and a meet the team event on 17 September 2024.
- (7) The Chair advised Members of the ongoing Community Governance Review survey which was being conducted to look at parish arrangements. The survey was open until the 7 October 2024 and posters had been provided to Members to distribute in their wards.

## 47 PUBLIC PARTICIPATION

*Audio recording – 6 minutes 11 seconds*

The Chair advised that Guy Foxell, One YMCA, was in attendance for Agenda Item 11.

## 48 ITEMS REFERRED FROM OTHER COMMITTEES

*Audio recording – 6 minutes 42 seconds*

The Chair advised that items referred from the Overview and Scrutiny Committee and the Finance, Audit and Risk Committee would be taken with their respective items on the agenda.

## 49 COMMUNITY SURVEY ROUND TWO RESULTS (MARCH-MAY 2024)

*Audio recording – 7 minutes 52 seconds*

The Chair invited Councillor Matt Barnes, as Chair of the Overview and Scrutiny Committee, to present the referral on this item. Councillor Barnes advised that:

- Resident satisfaction levels had improved when compared to the community survey from last year, with the exception of 'to what extent are you aware of what your local councillor does in your local area' being the only question which saw a decline.
- It was noted that the contract with Zencity ran until March 2025.
- There would be two further opportunities for future surveys to be conducted by Zencity before the contract ended and the use of a hybrid survey should be considered for surveys once the contract with Zencity ended for future surveys.

**Tuesday, 10th September, 2024**

- There had been discussion around what could be done to improve communications with young people, following feedback received in the open-ended question, including working more with schools and providing low-cost activities.

The Leader of the Council presented the report entitled 'Community Survey Round Two Results' and advised that:

- The first digital residents survey conducted by the Council was carried out last year by Zencity.
- A second survey had now been carried out so the results could be compared with the results from the last survey.
- It should be noted that a digital survey was only one of the ways that the Council received comments from residents.
- There was good news that satisfaction levels had either improved or remained the same as last year, with the only decline occurring where residents did not know what the councillor did in their local area.

The following Members asked questions:

- Councillor Tamsin Thomas
- Councillor Amy Allen
- Councillor Daniel Allen

In response to questions, the Communications Manager advised that:

- A conversation with Zencity would be required to see if the five areas in the report could be expanded for a future survey. If this was not possible, it may be possible that the open-ended feedback may give greater location detail, but this would need to be checked.
- There was a limit to the number of questions that could be asked, and these questions were matched to as many of the LGA questions as possible to enable benchmarking.
- When the current contract ended with Zencity, the Council would be looking into new, more flexible surveying options which would enable the Council to ask more in depth questions and also the ability to increase the number of questions.

The following Members took part in a debate:

- Councillor Ian Albert
- Councillor Daniel Allen
- Councillor Tamsin Thomas

Points raised in the debate included:

- The importance of listening to resident feedback from the survey and through social media platforms to show what the Council was doing to improve communications as highlighted in para 8.7.1 of the report.
- A new approach for the communications team to consider for the next survey was outlined in paragraph 8.7.2.2 of the report.
- The Council needed to find the best way to reach young people for their feedback, which could include a citizens panel.
- A very useful poster had been produced which described the differences between the services of North Hertfordshire District Council and those of Hertfordshire County Council.
- The Community Forums and Councillor Surgeries should consider ways to encourage residents to complete surveys and to communicate more with their local councillors at their meetings.

- The Hitchin Forum meeting held in person had considered how the Council could communicate with young people regarding the Churchgate consultation and was felt to be successful. This experience could be used when considering engagement with young people on other projects.

Councillor Daniel Alen proposed and Councillor Val Bryant seconded and, following a vote, it was:

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

**REASON FOR DECISION:** To ensure that 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.

## 50 COUNCIL PLAN 2024-2028

*Audio recording – 20 minutes 01 seconds*

The Chair invited Councillor Matt Barnes, as Chair of the Overview and Scrutiny Committee, to present the referral on this item. Councillor Barnes advised that there had been discussion about:

- This was a good Plan which covered many initiatives and services provided. However, it was felt it could be improved by including some of the challenges faced by the Council and developing in more specific and measurable objectives.
- Ongoing monitoring of achievements against the Council Plan would be conducted by the Overview and Scrutiny Committee throughout the life of the Plan.

The Leader of the Council presented the report entitled 'The Council Plan 2024-2028' and advised that:

- The Council Plan should not be confused with the Council Delivery Plan which is a separate document which sat under the Council Plan. The Council Plan was an overarching strategic plan, while the Council Delivery Plan included measurables for specific projects.
- The Council Plan sets out the vision and strategic priorities for the next four years. It highlighted some of the key projects that support these priorities.
- A workshop was held in June which gave administration members an opportunity to share aspirations for the next four years.
- Two subsequent workshops were held in July to narrow down priorities and select key projects to sit under each priority.
- This draft was a plain text version and once the content is approved the plan would be formatted and signed.
- The priorities of the Council Plan were, 'Thriving Communities', 'Accessible Services', 'Responsible Growth' and 'Sustainability'.

The following Members asked questions:

- Councillor Ian Albert
- Councillor Tamsin Thomas
- Councillor Daniel Allen

In response to questions, the Policy and Strategy Team Leader advised that following recommendations from the Overview and Scrutiny Committee:

- A diagram would be created during the design phase to lay out the relationship between the Council Plan, the Council Delivery Plan, the Medium-Term Financial Strategy and the Service Delivery Plans.
- Further context around 'net zero' within the Sustainability priority will be incorporated during the design phase.
- There would be an annual review of the Council Plan going forward.
- It was agreed that key performance indicators and adding specific time frames were covered in the Council Delivery Plan.
- A key challenge was mentioned in the introduction and more details of risks were covered in the risk register and the Medium-Term Financial Strategy.

The Chair thanked Councillors and the Officers involved for their hard work in producing this Council Plan.

Councillor Mick Debenham proposed and Councillor Tamsin Thomas seconded and, following a vote, it was:

**RECOMMENDED TO COUNCIL:**

- (1) The approval of the Council Plan (Appendix A) with the four new Council Priorities as outlined below:
  - Thriving Communities
  - Accessible Services
  - Responsible Growth
  - Sustainability
- (2) That authority be delegated 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 RECOMMENDATIONS:** 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.

**51 SUSTAINABILITY SPD**

*Audio recording – 53 minutes 46 seconds*

The Leader of the Council presented the report entitled 'Sustainability SPD' and advised that:

- The SPD supported the Local Plan and provided additional information on specific issues.
- The North Hertfordshire SPD encouraged the high standard of sustainability in new housing developments in the District.
- Cabinet approved the draft SPD back in December 2023.
- 17 formal responses had been received from a public consultation.
- This updated SPD was clearer on how guidance should be applied to different developments in the District.
- The Council Project Board had considered the main changes to the SPD in July 2024.

The following Members asked questions:

- Councillor Ian Albert
- Councillor Tamsin Thomas
- Councillor Amy Allen
- Councillor Daniel Allen
- Councillor Mick Debenham

In response to questions, the Strategic Planning Manager advised that:

- The last SPD was approved in March 2021 and a separate travel and parking SPD would be produced in the next calendar year.
- The key themes for developers were travel, biodiversity and open spaces.
- Smaller developments were likely to achieve passive housing standards.
- Larger developments were encouraged to focus on two or three SPDs rather than the total of eight SPDs available, which would be unviable.
- Officers could encourage developers by awarding gold for a passive house standard and silver for developers displaying willing to achieve a higher standard.
- Quality design was key and the Council was working with the Lead Local Flood Authority (LLFA) to ensure developers were following correct hierarchy within their projects.
- A SUD was a small pond that could fill up with water. It was a drainage area created stop water from flooding newly built homes.

The following Members took part in a debate:

- Councillor Tamsin Thomas
- Councillor Daniel Allen

Points raised in a debate included:

- It was good to see the inclusion of the protection of chalk streams and rivers listed as a resource within the SPD.
- This was a useful document for North Herts Council to have when making suggestions to housing developers.

Councillor Daniel Allen proposed and Councillor Mick Debenham seconded and, following a vote, it was:

**RESOLVED:** That Cabinet:

- (1) Adopted the Sustainability SPD, attached as a Supplementary Document to the agenda.
- (2) Granted delegated authority to the Service Director – Regulatory, in consultation with the Executive Member for Planning and Transport, to make any minor non-material corrections (including but not limited to cosmetic additions or presentational alterations) to the adopted Sustainability SPD as considered necessary for publication and publicity in accordance with the relevant regulations.
- (3) Supported the recommendation in 2.1, to resolve to pursue the preparation of a separate Parking and Transport SPD contrary to the previous resolution to incorporate it into the Sustainability SPD in July 2021.

**REASONS FOR DECISIONS:**

- (1) To allow the Sustainability SPD to be adopted to support the delivery of the policies in the adopted Local Plan and ensure the securing of sustainable development in the District.

- (2) To encourage higher standards of design quality and sustainability across the District responding directly to the Council's pledges and ambitions as set out in the Climate Emergency and Ecological Emergency declarations.

## 52 STRATEGIC PLANNING MATTERS

*Audio recording – 1 hour 06 minutes 50 seconds*

The Leader of the Council presented the report entitled 'Strategic Planning Matters' and advised that:

- This report identified that latest position on key planning and transport issues affecting the District.
- This report was for information purposes and to be noted.
- The report identified key matters of importance to Cabinet.
- Details of the changes and implications for the District resulting from the National Framework 2024 Consultation were set out in Appendix A.
- The amendments to the Terms of Reference were set out in Appendix B of the report and these were also summarised in the main report.
- Officers were currently reviewing the latest representations regarding the proposed expansion of Luton Airport and would then come to a decision with the other Host Authorities whether to submit further comments.
- An update of the six largest strategic housing sites were set out in the report.
- The Council had reached an understanding with Uttlesford in relation to the consultation on their Local Plan and a copy of this could be found at Appendix C.
- The Officer response to the consultation regarding the review of the Stevenage Local Plan was highlighted in Appendix D.

In response to a question from Councillor Ian Albert, the Service Director – Regulatory advised that the side agreement being considered with regard to the Hitchin junction at A505 had been removed as an agreement could not be reached and the Council maintained the view that the current design was unacceptable.

The following Members took part in a debate:

- Councillor Daniel Allen
- Councillor Ian Albert

Points raised in a debate included:

- It would be useful to have a one-page summary at the beginning of the document as an index guide.
- The changes to the Terms of Reference for the Strategic Planning Project Board were welcomed as highlighted in paragraph 8.8 of the report.

Councillor Amy Allen proposed and Councillor Mick Debenham seconded and, following a vote, it was:

**RESOLVED:** That Cabinet:

- (1) Noted the report on strategic planning matters.
- (2) Endorsed the documents at Appendices A, C and D.

- (3) Noted and endorsed the revised Terms of Reference for the Strategic Planning Project Board at Appendix B.

**REASON FOR DECISIONS:** To keep Cabinet informed of recent developments on strategic planning matters.

## 53 REVISED USE OF COMMUTED SUMS

*Audio recording – 1 hour 17 minutes 03 seconds*

Councillor Dave Winstanley, Executive Member for Housing and Environmental Health, presented the report entitled 'Revised Use of Commuted Sums' and advised:

- Commuted Sums were received in exceptional circumstances from developers in lieu of the delivery of affordable housing on site.
- The Council no longer owned any affordable housing stocks and now worked with housing developers to secure affordable housing.
- The Council had been successful in a bid under the Single Homelessness Accommodation Programme (SHAP) and the grant allocated was a capital amount of £3.2million and a revenue amount of £1.2million over three years.
- Currently the Council used nightly accommodation for the homeless which was a cost of approximately £1.1million over four years. This was not sustainable and the instability was detrimental to the wellbeing of the homeless.
- £388.3k of the capital had been allocated to the North Herts Sanctuary site in Nightingale Road, Hitchin which One YMCA were planning to develop. However, delays to the start date and missed deadlines caused Homes England, the overseeing body of the grant, to become concerned. In the meantime, Anderson House in Hitchin became for sale and One YMCA made an offer which was accepted. Anderson House would be able to accommodate more rooms once developed.
- Therefore, permission was being sought to transfer the £388.3k allocated to the proposed Sanctuary development to the development of Anderson House.

The following Members asked questions:

- Councillor Daniel Allen
- Councillor Tamsin Thomas
- Councillor Val Bryant
- Councillor Dave Winstanley

In response to questions, Guy Foxell – One YMCA advised that this project was in its very early stages as contracts had not yet been exchanged on Anderson House. Once completion had taken place, a planning application would need to be approved and then public consultation would commence.

*N.B. There was a short break in the proceedings and the meeting reconvened at 21.49.*

In response to questions, the Service Director – Housing and Environmental Health advised that the funds would only be made available to One YMCA once planning permission had been granted.

The following Members took part in a debate:

- Councillor Ian Albert
- Councillor Daniel Allen



Points raised in a debate included:

- The Council acknowledged the importance of this housing scheme and that funds should not be paid in advance of a planning application for Anderson House being granted.
- Appreciation was expressed to Helping Herts Homeless for their understanding and support with this project and for the work on Anderson House.

Having been proposed, as amended, by Councillor Daniel Allen and seconded by Councillor Dave Winstanley, following a vote, it was:

**RESOLVED:** That subject to the completion of the necessary legal documentation, planning and regulatory requirements, Cabinet approved the allocation of £388.3k of commuted sums to One YMCA to aid their acquisition of Anderson House, Florence Street, Hitchin.

**REASON FOR DECISION:** This proposal has been made in order to support One YMCA's acquisition of Anderson House and in turn help meet the needs of some of the District's most vulnerable residents.

## 54 COUNCIL DELIVERY PLAN 2024-25 (QUARTER 1) UPDATE

*Audio recording – 1 hour 48 minutes 06 seconds*

The Chair invited Councillor Matt Barnes, as Chair of the Overview and Scrutiny Committee, to present the referral on this item. Councillor Barnes advised that:

- This was a new streamlined plan based on the changes proposed last year.
- It was a more concise document and it was good to see the addition of Key Performance Indicators (KPIs).
- Five of the KPIs were amber and the Overview and Scrutiny Committee were satisfied with the commentary supplied.
- A staff survey KPI would be added when this was available.
- There was interest in the review of the Local Plan, electric vehicle chargers, as well as the waste contract and decarbonisation of the leisure centre.

Councillor Ian Albert, Executive Member for Finance and IT, presented the report entitled 'Council Delivery Plan 2024-25 (Quarter 1) Update' and advised that:

- The Council Delivery Plan was a key supportive document to the Council Plan and was a work in progress.
- Corporate performance indicators and projects agreed were detailed in the Appendix.
- There was scope to add to the Council Delivery Plan, but the Council must remain focused on current projects.
- All project milestones were new and these were currently on track.
- Details of the amber KPIs could be found in paragraph 8.4 of the report.

Councillor Ian Albert proposed and Councillor Mick Debenham seconded and, following a vote, it was:

**RESOLVED:** That Cabinet noted 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 DECISION:** 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.

**55 FIRST QUARTER INVESTMENT STRATEGY (CAPITAL AND TREASURY) REVIEW 2024/25**

*Audio recording – 1 hour 53 minutes 26 seconds*

The Chair invited Councillor Sean Nolan, as Chair of the Finance, Audit and Risk Committee, to present the referral on this item. Councillor Nolan advised that there had been discussion about:

- Understanding the costs and looking at the longer-term effects associated with the borrowing that was needed to fund the Capital programme.
- Any spend changes, including the new chiller required at the museum and the new waste vehicles purchased for the waste contract.
- The Churchgate project, where costs were currently unknown as the project was in an early stage.

Councillor Ian Albert, Executive Member for Finance and IT, presented the report entitled 'First Quarter Investment Strategy (Capital and Treasury) Review 2024/25' and advised:

- It was important to understand that the Council was moving towards a need to borrow to fund the Capital programme.
- A Capital Budget Review was to be conducted to feed into the 2025/26 budget process.
- Everyone Active, the new leisure provider had requested that the works planned by them, and the Council at the Hitchin gym were brought forward to this year. This would be both beneficial in attracting new users and overall be less disruptive for the leisure centre.
- Therefore, an additional recommendation would be required to ask Council to approve to bring forward part of the capital budget to this financial year.

The following Members took part in a debate:

- Councillor Tamsin Thomas
- Councillor Mick Debenham
- Councillor Ian Albert

Points raised in a debate included:

- The chiller at the museum was a specialist piece of equipment and was getting more difficult to repair. A new chiller would help ensure the protection of important items which must be stored at a certain temperature to ensure that they did not degrade. This was imperative not only to preserve the heritage of North Hertfordshire, but also to protect items lent to the museum from other areas.
- It made good sense to combine the works required at the Hitchin leisure centre to reduce any loss to revenue.
- This Capital Budget Review would be carried out to ensure that the capital programme reflected priorities set out in the Council Plan.

The Service Director – Resources advised that it was in the interest of the Council to bring forward part of the capital budget to provide a good leisure facility for the District which would generate income for the Council.

Councillor Daniel Allen proposed and Councillor Mick Debenham seconded and, following a vote, it was:

**RESOLVED:** That Cabinet:

- (1) Noted the forecast expenditure of £30.415M in 2024/25 on the capital programme, paragraph 8.3 refers.
- (2) Noted 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) Noted the position of Treasury Management activity as at the end of June 2024.
- (4) Approved that the Council should proceed with the Local Authority Housing Fund round 3 and submit the Memorandum of Understanding so that the Council can receive the initial allocation of funds.

**RECOMMENDED TO COUNCIL:** That Council:

- (1) Approves a capital budget of £0.080M to fund the purchase and installation of a new chiller at the museum, paragraph 8.4 refers.
- (2) 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.
- (3) 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.
- (4) That Council approved bringing forward £0.672M of leisure funding to allow upgrades to the fitness facilities in Hitchin to take place in this financial year, instead of next financial year. This would be made up of the £0.300M budget for Member Change and Relaxation Area Refurbishment, and £0.372M of the 2025/26 allocation of the budget for providing capital funding to our leisure provider.

**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.

## 56 FIRST QUARTER REVENUE BUDGET MONITORING 2024/25

*Audio recording – 2 hours 12 minutes 10 seconds*

The Chair invited Councillor Sean Nolan, as Chair of the Finance, Audit and Risk Committee, to present the referral on this item. Councillor Nolan advised that most of the discussion had been around the understanding of Business Rate Pooling.

Councillor Ian Albert, Executive Member for Finance and IT, presented the report entitled 'First Quarter Revenue Budget Monitoring 2024/25' and advised:

- The main significant variances related to treasury investment returns and pay costs for the leisure contract associated with the national living wage percentage increase and details of these could be found in table 3.
- The performance of key sources of income was detailed in paragraphs 8.6 and 8.7 of the report.
- Delegation to enter a Business Rate Pool was being requested as, if available, this could allow the Council to maintain more of the business rates collected.
- The invitation to become part of a Business Pooling Rate usually came in September from the Government and this has yet to be received this year.

Councillor Ian Albert proposed and Councillor Tamsin Thomas seconded and, following a vote, it was:

**RESOLVED:** That Cabinet:

- (1) Noted this report.
- (2) Approved 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) Noted 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) Delegated 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 DECISIONS:** 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.

## 57 MEDIUM TERM FINANCIAL STRATEGY 2025-2030

*Audio recording – 31 minutes 09 seconds*

The Chair invited Councillor Sean Nolan, as Chair of the Finance, Audit and Risk Committee, to present the referral on this item. Councillor Nolan advised that there had been discussion around:

- Focusing on looking ahead and understanding the effects of dealing with the next five years.
- Looking at the need to reduce costs and whether any savings could be made by increasing income but recognising that with little non-discretionary spending this would be difficult.
- Whether savings could be made by the sharing of services with other local authorities as with the waste contract.
- Understanding that any income from treasury investments was not sustainable based on the projected drop-in interest rates.
- Looking at the future for the Council services with the £2.5 million of savings required.

In response to a question from Councillor Daniel Allen, Councillor Nolan advised that a longer-term financial strategy would normally be expected to cover a 10 year period, but due to the way that local authorities were funded, the focus was on the 5 year period.

Councillor Ian Albert, Executive Member for Finance and IT, presented the report entitled 'Medium Term Financial Strategy 2025-2030' and advised:

- This was an important document and was a partner to the Council Plan
- The Medium Term Financial Strategy (MTFS) sets out the forecast on expenditure, income and funding over a 5 -year period. There was currently too much uncertainty for a 10 year review.
- The pay claim for 2024/2025 had not yet been settled.
- Reserves could be used to balance the budget in the short term, but the Council must balance in the medium term and maintain a prudent level of reserves.
- This MTFS showed that the Council could use the higher treasury investment returns and retain business rates to help balance the budget in 2025/26.
- Savings required over the next few years was a difficult task and would need to include a review of capital projects and discretionary services.
- Staffing was recognised as the most valuable resource to enable the Council to deliver the services that residents need.
- More work needed to be done to try and share services with neighbouring authorities for the benefit of the residents.
- The MTFS highlighted the items that would be looked at going forward this year.

The following Members asked questions:

- Councillor Mick Debenham
- Councillor Amy Allen
- Councillor Daniel Allen

In response to questions, the Executive Member for Finance and IT advised that:

- It was critical that the Council investigated sharing of services with other local authorities and investigated generating income to make savings.
- It was important that the capital programme was managed properly with correct priorities.
- The current strategy was to review all the budget lines of expenditure to make sure that they are appropriate and represent the priorities set out in the Council Plan.
- Existing parish councils and any new town councils were able to set their own Council Tax precept and there was a variance in this amount between areas.
- Any pay settlement reached would have to be met in the budget.

In response to a question, the Service Director – Resources advised that £38k in the budget was linked to the Council Tax Reduction Scheme and this had been planned to reduce any reductions in the funding that the Council received.

In response to a question, the Managing Director advised that:

- The Council offered good staff benefits and were currently reviewing this to see if it needed to be updated.
- The Council was aware it could not match pay, especially for professional roles, compared to the private sector and neighbouring local authorities.
- The Council was tied into the annual pay bargaining and was currently carrying out a review of salary scales to try to understand where the gap was to the Local Authority average.

**Tuesday, 10th September, 2024**

Councillor Ian Albert proposed and Councillor Dave Winstanley seconded and, following a vote, it was:

**RECOMMENDED TO COUNCIL:** The adoption of the Medium-Term Financial Strategy for 2025-30, as attached at Appendix A.

**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.

The meeting closed at 9.48 pm

Chair