

Minutes of: CABINET

Date of Meeting: 26 February 2020 (Budget)

Present: Councillor D Jones (in the Chair)
Councillors J Black, K S Briggs, E O'Brien, A Quinn, A Simpson and T. Tariq

Also in Attendance Councillor N Jones and Councillor T Pickstone

Apologies: No Apologies were submitted

Public attendance: No member of the public were in attendance.

CA. DECLARATIONS OF INTEREST

There were no declarations of interest made at the meeting.

CA. PUBLIC QUESTION TIME

No questions were asked under the item.

CA. MINUTES

Delegated decision:

That the minutes of the meeting held on 13th January 2020 be approved as a correct record and signed by the Chair.

CA. Radcliffe – Secondary School Provision, Lease of land off Spring Lane, Radcliffe

The Cabinet Member for Children and Young People presented an update to the report consider on the 13th November 2019 in which it agreed to note that a successful application to establish a Free School will require the Council to provide the land on which the new school will be constructed, to be leased to the Sponsor at a peppercorn rent, and that a further report will be submitted to Cabinet to seek this approval.

In considering the Free School application, the Department for Education is seeking confirmation that the Council is supportive of the application, and will enter into an appropriate lease arrangement.

To remove any potential impediment to the Department for Education's consideration of the application, Cabinet is requested to confirm that the Council will enter into a Lease agreement with Star Academies in the event of a successful application.

It was agreed:

In the event of a successful application by Star Academies to establish a new Free School, Cabinet agrees to the release of the land edged red at Appendix 1 through the granting of a lease to Star Academies in return for a peppercorn

rent, for a period of 125 years, whilst preserving access to the adjacent development site.

Reason for the Decision

The opportunity to sell the land and generate a capital receipt in the future is foregone with the transfer of the lease to the academy partner. This is not a significant risk as the site has not previously been earmarked for sale.

CA. Full Fibre Report

The Cabinet Chair and Leader of the Council, Councillor David Jones, presented a further update report in respect of the GM monies successfully secured from the local full fibre network challenge fund totalling £23.8m. The funding will connect full fibre to over 1,300 GM Public sector sites. Further to the already agreed Cabinet report (presented in July 2019) the Department Culture Media Sport have asked that all participating Local Authorities are signatories to an amended Grant Fund Agreement.

Delegated Decision

Cabinet agrees to approve the technical change to the previously agreed Cabinet report in July 2019.

Reason for the Decision

The grant funding agreement between the Council and the Department of Culture, Media and Sport has been considered by Legal Services and advice provided to enable approval. The Council's liability is restricted to the grant allocation.

CA. MONTH 9 CORPORATE FINANCIAL MONITORING REPORT

The Cabinet Member for Finance and Housing submitted a report which outlines the forecast financial position of the council at the end of 2019/20 based on the information known at the end of the third quarter. The reports sets out the position for both revenue and capital and provides an analysis of the variances, both under and overspending.

Delegated decision:

Cabinet agrees to:

- Note the forecast underspend of £0.657m on the council's revenue budget, the forecast increase in the cumulative Dedicated Schools Grant deficit to £18m and potential risks of up to £8.3m in the CCG budget;
- Note the in-year surplus on the council tax and business rates collection fund of £8.9m and that this, together with the cumulative surplus from previous years of £8.2m, will be considered as part of the council's budget setting process for 2020/21;
- Approve the drawdown of earmarked reserves of £2.8m which are in addition to the use of reserves that were planned as part of the 2019/20 budget;
- Note the forecast improvement in the council's general reserves;
- Note the under achievement of some savings targets and that these will be considered as part of the 2020/21 budget setting process.

- Approve the carry forward of the underspend on the capital programme of £20.384m into the 2020/21 and future years capital programme and the changes to the cost and funding of the schemes as set out in the report;
- Note the planned development of a reserves strategy, an update and refresh of the capital strategy and the development of capital gateway processes during 2020/21 and that these will be brought to Cabinet for approval.

Reasons for the decision:

Budget Monitoring falls within the appropriate statutory duties and powers and is a requirement of the Council's Financial Regulations.

CA TREASURY MANAGEMENT STRATEGY AND PRUDENTIAL INDICATORS 2020/21

The Cabinet Member for Finance and Housing submitted the Treasury Management Strategy and Prudential indicators 2020/21 The report sets out the suggested Strategy for 2020/2021 in respect of the following aspects of the Treasury Management function. It is based upon the Treasury officers' views on interest rates, supplemented with leading market forecasts provided by the Council's treasury advisor. The Strategy covers:

- Capital plans and prudential indicators;
- the minimum revenue provision policy;
- the current treasury position;
- treasury limits in force which will limit the treasury risk and activities of the Council;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need
- debt rescheduling;
- the investment strategy;
- creditworthiness policy; and
- policy on use of external service providers

Delegated decisions –

Cabinet approves, for onward submission to Council, the:

- Prudential Indicators forecast for 3 years
- Treasury Management Strategy for 2020/21
- Minimum Revenue Provision Policy for 2019/20 and 2020/21
- Schemes of Delegation and Responsibility attached at Appendices 2 and 6 to the report

Recommendation to Council:

That approval be given to the recommendations made in the report.

CA. HOUSING REVENUE ACCOUNT 2020-2021

The Cabinet Member for Finance and Housing submitted a report detailing the proposed Housing Revenue Account (HRA) for 2020/21.

Delegated Decisions –

Cabinet agrees to

- 1) Note the report
- 2) That the Council be requested to consider all matters relating to the Housing Revenue Account 2020/2021.

And Recommends to Council:

- (a) Approve the Housing Revenue Account estimates set out in Appendix 1 to the Report.
- (b) Increase the Rents for all HRA social rent formula and affordable rent dwellings by 2.7% from the first rent week in April.
- (c) Increase Garage rents by 2.7% from the first rent week in April.
- (e) Increase Sheltered Management and Amenity Charges by 2.7% from the first rent week in April.
- (f) Approve that Sheltered support charges remain unchanged from the first rent week in April.
- (g) Increase Sheltered heating charges by 3% to 10% on an individual scheme basis as set out in section 3.4; increased charges to apply from the first rent week in April.
- (h) Approve that Furnished Tenancy charges remain unchanged from the first rent week in April.
- (i) Increase pitch fees at the Fernhill Caravan Site by 2.7% from the first rent week in April.

CA. JOINT REVENUE AND CAPITAL PROGRAMME 2020/21

The Cabinet Member for Finance and Housing submitted the budget report. This report sets out the key elements of the 2020/21 budget proposals and the framework for the longer term Medium Term Financial Strategy (MTFS) 2020/21 – 2024/2025. It makes available the latest financial information that will underpin the 2020/21 budget and the MTFS.

The allocations for the Dedicated Schools Grant 2020/21 including early years provision is set out.

The report also sets out the capital strategy, the proposed capital programme 2020/21 and the indicative capital programme 2020/21 – 2022/23. The report sets out the capital investment priorities and information on the funding of the programme.

Delegated decisions:

Cabinet notes the revenue budget 2020/21 and medium term financial strategy 2020/21 -2024/25, the dedicated schools Grant 2020/21 capital strategy and Capital Programme 2020/21 – 2022/23. And requests that Council should consider all matters relating to the budget and the level of Council Tax for 2020/21.

And Recommends Council:

- Note the medium term financial strategy and the assumptions regarding resources and spending requirements;
- Note the 2019/20 budget monitoring position including the collection fund surplus;
- Note the council tax base of 55,222 on which the council tax funding has been calculated as set by the Joint Chief Finance Officer under delegated powers;
- Approve the permanent spending allocations of £12.674m in 2020/21;
- Note the budget gap of £5.162m in 2020/21 and the forecast gap of £22.561m in future financial years; □ Approve the budget reduction options totalling £5.162m as set out in the report;
- Approve the allocation of the one-off collection fund surplus as follows:
 - o £10m General Reserves
 - o £5.8m Transformation Reserve
- Note the forecast increase in general reserves from £7.7m to £18.3m to improve financial resilience;
- Approve the allocations on the Dedicated Schools Grant 2020/21 and the funding formula as recommended by the Schools Forum as set out in the report.
- Approve the increase in the hourly rate for early years providers to £4.38 per hour for 3 and 4 year olds and £5.28 per hour for 2 year olds;
- Note the significant financial uncertainty around funding beyond 2020/21 and the potential impact of the business rate retention review and the fair funding review.
- Approve the capital strategy 2020/21 – 2020/23;
- Approve the capital programme of £51.101m for 2020/21 and the associated funding arrangements;
- Note the indicative capital programme for 2021/22 – 2022/23 and that this will be subject to decision making in future years.
- Note the assumptions around council tax as set out in the report.
- Note that a report on the DSG ringfencing and the implications of outcome of the recent consultation will be presented to Cabinet early in the new financial year.

Reasons for the decision:

The Council has a legal obligation to pass its budget and Council Tax resolutions by March 2020.

COUNCILLOR D Jones

Chair (Note: The meeting started at 17.30pm and ended at 17.55pm)