

MINUTES OF: THE CABINET

Date of Meeting: Wednesday 10th February 2021

**Present: Councillor A Barnes (Chair)
Councillors Hughes, Lythgoe, Oakes, Serridge and Walmsley**

**In Attendance: Mr N Shaw, Chief Executive
Mrs C Burns, Director of Economic Development
Mr A Allen, Director of Communities
Ms C Birtwistle, Head of Legal (Monitoring Officer)
Ms K Spencer, Head of Finance (S151 Officer)
Mr A Ahmed, Acting Finance Manager
Mrs J Cook, Committee and Member Services Officer
Miss G Ashton, Committee and Member Services Officer**

**Also Present: Councillors Cheetham, Haworth, Kenyon, Neal, Roberts
Mrs C Law, Head of People & Policy
1 member of public**

1. APOLOGIES FOR ABSENCE

There were no apologies for absence.

2. MINUTES OF THE LAST MEETING

Resolved:

That the minutes of the meeting held on 1st December 2020 were agreed as a correct record.

3. URGENT ITEMS OF BUSINESS

There were no urgent items.

4. DECLARATIONS OF INTEREST

There were no declarations of interest.

5. PUBLIC QUESTION TIME

No written questions had been submitted.

6. FINANCIAL MONITORING REPORT 2020/21 Q3

The Portfolio Holder for Resources outlined the report which asked members to note the current adverse variance in the Council's revenue budget and the actions to address this before year end.

Cabinet members were invited to comment on the report:

- It had been a challenging year both in terms of Covid and the reduction in RSG.
- The work of the Finance Team was noted.

Resolved:

1. Cabinet noted the current adverse variance in the Council's revenue budget and the actions to address this before year-end.

Reason for Decision:

For the robust monitoring of the General Fund and MTFs which is essential for controlling risks.

Alternative Options Considered:

None.

7. CORPORATE PRIORITIES, BUDGET, COUNCIL TAX AND MEDIUM TERM FINANCIAL STRATEGY 2021/22

The Portfolio Holder for Resources outlined the report which asked members to recommend that Council approves the revenue budget for 2021/22, a Council Tax increase of 1.99%, the use of Business Rates Retention reserves to support the revenue budget, fees and charges for 2021/22, the technical resolutions and a contribution to the Rossendale Leisure Trust.

Cabinet members were invited to comment on the report::

- The proportion of council tax that the council received was noted.
- The pressure on public services and community volunteers was discussed.
- The Police precept was ring-fenced for visible neighbourhood policing and it was members' duty to ensure that this was upheld.

Resolved:

Cabinet recommended that Council approve:-

1. A revenue budget for 2021/22 of £8.903m, as detailed in the report.
2. A Council Tax increase of 1.99% which equates to a rate for Band D for 2021/22 of £285.13.
3. Use of £606k from the Business Rates Retention reserve to support the 2021/22 revenue budget.
4. The proposed fees and charges attached as Appendix 1.
5. The technical resolutions necessary to give effect to these budget proposals attached as Appendix 4.
6. The proposed £100k contribution to Rossendale Leisure Trust funded from the Council's Covid Local Authority support grant allocation.

Reason for Decision:

There are a number of significant risks outside the Council's control which remain a major concern: Covid, the uncertainty of the Fair Funding Review and the Business Rates scheme from 2022/23 onwards, also the still unknown impact of Brexit. The Council must remain focused on identifying and delivering further savings and income in order to ensure annual balanced budgets over the immediate and medium term. It must also ensure that all its budget resource allocations are directed to the core functions of the Council and that the use of its resources drives the delivery of the Council's Corporate Plan priorities.

Alternative Options Considered:

None.

8. CAPITAL STRATEGY 2021/22 TO 2024/25 AND CAPITAL PROGRAMME 2021/22

The Portfolio Holder for Resources outlined the report which asked members to recommend that Council approve the Capital Programme for 2021/22 and associated expenditure and the Capital Strategy 2021/22 – 2024/25.

Cabinet members were invited to comment on the report::

- Covid had placed additional requirements on the Finance Team.

- The new style of report was easy to read and was a requirement for any PWLB borrowing.
- The commitment to climate change in the Capital Strategy and Programme was welcomed.

Resolved:

Cabinet recommended that Council approve:

1. The Capital Programme for 2021/22 and associated capital expenditure of £6.21m.
2. The Capital Strategy 2021/22 - 2024/25 at Appendix B of the report.

Reason for Decision:

The proposed Capital Programme for 2021/22 and up to 2024/25 represents an affordable plan, as indicated by the prudential borrowing performance indicators the Capital Strategy (Appendix B).

The deficit between capital resources and requirements over the future years looks set to continue. With severe pressures on the Council's revenue resources throughout the Medium Term Financial Strategy it is likely that the Council will need to take out further external borrowing, as reflected in the Capital Programme financing estimates. This will lead to interest costs, which will need to be included within the business case for each investment.

Alternative Options Considered:

None.

9. TREASURY MANAGEMENT STRATEGY & TREASURY MANAGEMENT PRACTICES (UPDATES FOR 2021/22)

The Portfolio Holder for Resources outlined the report which asked members to recommend that Council approves the Treasury Management Strategy Statement and the Treasury Management Policy and Practices. To delegate any further minor amendments to the Head of Finance in consultation with the Portfolio Holder for Resources.

Cabinet members were invited to comment on the report::

- The document met the CIPFA Code of Conduct.
- The Finance Team were formally thanked for their hard working during the past year.

Resolved:

Cabinet recommended that Council approves:-

1. The Treasury Management Strategy Statement and the Treasury Management Policy and Practices.
2. To delegate any further minor amendments to the Head of Finance in consultation with the Portfolio Holder for Resources.

Reason for Decision:

To ensure continued compliance with the Code and continue to manage the Council's exposure to financial risk.

In light of the current economic climate and resultant changing cash flow requirements, Members are asked to delegate any minor amendments required within year to the Head of Finance in consultation with the Portfolio Holder for Resources.

Alternative Options Considered:

None.

_____ CHAIR _____ DATE