

MINUTES OF: THE CABINET

Date of Meeting: Wednesday 7th February 2024

**Present: Councillor A Barnes (Chair)
Councillors B Ashworth, McInnes and Oakes**

**Rob Huntington, Chief Executive
David Smurthwaite, Director of Economic Development
Clare Birtwistle, Head of Legal (Monitoring Officer)
Clare Law, Head of People and Policy
Karen Spencer, Chief Finance Officer (Section 151 Officer)
Andy Taylor, Head of Environmental Services**

Also present: 1 member of the public

1. APOLOGIES FOR ABSENCE

Apologies had been received from Councillor Lythgoe.

2. MINUTES OF THE LAST MEETING

Resolved:

That the minutes of the meeting held on 6th December 2023 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

There was a question from the member of public relating to affordable housing. A written response would be provided.

6. UPDATE FROM THE CHAIR OF THE OVERVIEW & SCRUTINY COMMITTEE

The Leader gave a brief overview of the items discussed at the Overview and Scrutiny Committees on 15th January and 5th February.

7. 2024/25 COUNCIL BUDGET AND MEDIUM TERM FINANCIAL STRATEGY

The Lead Member for Resources outlined the report which asked Cabinet to recommend that Council approve the revenue budget, a Council Tax increase, use of reserves and the proposed fees and charges.

Cabinet members were invited to comment on the report:

- The direction of travel is clearly outlined in the body of the report.
- Demonstrates the Council's financial pressures but we continue to set a lawful budget.
- Inflationary pressures and temporary accommodation continue to be a challenge.
- Rossendale Council receives 14% of the Council Tax collected.
- This is a dynamic document and will look at proposed savings.
- Officers were thanked for all their hard work.

Resolved:

Cabinet recommended that Council approve:

1. A revenue budget for 2024/25 of £10.623m, as detailed in the report.
2. A Council Tax increase of 2.99%, increasing the Council Tax rate for a Band D property from £299.49 to £308.44, an increase of £8.95 pa.
3. Use of £688k from the reserves to support the 2024/25 revenue budget.
4. The proposed fees and charges attached as Appendix 1.

Reason for Decision:

To set a revenue budget for 2024/25 of £10.623m.

The Council carefully considers and monitors the MTFs and the risks as set out in the report and in the Corporate Risk Register. The Council has a risk management strategy in place to identify and evaluate risks. Risks are identified, potential impacts are highlighted and controls and mitigations are set in place. The Council monitors and reports to Cabinet Members and Audit and Accounts Committee during the year.

The Council currently holds a number of earmarked reserves, these are funds set aside for funding future liabilities, however they are being used to fund the shortfall between how much the Council spends and how much funding the Council receives. Based on the estimates detailed in section 5 of the report, if no further savings/efficiencies or additional income is generated these reserves will be exhausted over the life of the current forecast.

Whilst the Council is currently developing several income generating regeneration schemes, which will support the budget in the longer term, it 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 PROGRAMME 2023/24 – 2027/28 AND CAPITAL STRATEGY 2024/25

The Lead Member for Resources outlined the report, which asked Cabinet to recommend that Council approve the Capital Programme and associated capital expenditure, and the Capital Strategy.

Cabinet members were invited to comment on the report:

- The programme was welcomed which was ambitious as always.
- The excellent progress around Disabled Facility Grants was noted.
- Grants received were testament to the hard work of our officers.

Resolved:

Cabinet recommended that Council approve:

1. The Capital Programme for 2023/24 – 2027/28 and associated capital expenditure of £11.064m.
2. The Capital Strategy 2024/25 as attached at Appendix B.

Reason for Decision:

The proposed Capital Programme for 2023/24 and up to 2027/28 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 MTFS 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. When approving new schemes it is important that consideration is given to the impact they will have on the Council’s revenue budget through the Minimum Revenue Provision (MRP) charge.

Alternative Options Considered:

None.

9. TREASURY MANAGEMENT STRATEGY & TREASURY MANAGEMENT PRACTICES

The Lead Member for Resources outlined the report, which asked Cabinet to recommend that Council approve the Treasury Management Strategy statement, including the borrowing strategy. The Investment Strategy, including Investment Indicators. The Minimum Revenue Provision (MRP) Statement and to delegate minor amendments to the Chief Finance Officer and Lead Member.

Cabinet members were invited to comment on the report:

- The Council were proactive in the way money was managed.

Resolved:

Cabinet recommended that Council approve:

1. The Treasury Management Strategy Statement, including the borrowing strategy.
2. The Investment Strategy, including Investment Indicators.
3. The Minimum Revenue Provision (MRP) Statement.
4. To delegate any further minor amendments to the Chief Finance Officer in consultation with the Lead Member for Resources.

Reason for Decision:

Following consideration at Full Council, Members are asked to approve the adoption of the updated Treasury Management Strategy Statement and Treasury Management Policy and Practises, which will 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 potential resultant changing cash flow requirements, Members are asked to delegate any minor amendments required within year to the Chief Finance Officer in consultation with the Lead Member for Resources.

Alternative Options Considered:

None.

The meeting concluded at 6.50pm

_____ CHAIR _____ DATE