

CABINET**Tuesday, 21st February, 2023**

Present:-

Councillor P Gilby (Chair)

Councillors Blank
J Innes
LudlowCouncillors Holmes
Sarvent
Serjeant
Mannion-BruntNon-voting P Innes
Members

*Matters dealt with under the Delegation Scheme

**90 DECLARATIONS OF MEMBERS' AND OFFICERS' INTERESTS
RELATING TO ITEMS ON THE AGENDA**

A declaration of interest with regards to agenda item 5 was declared by Councillor Ludlow.

91 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor D Collins.

92 MINUTES

The minutes of the meeting of the Cabinet held on Tuesday 7 February would be available for members to approve at the next scheduled meeting of the Cabinet, on Tuesday 21 February.

93 FORWARD PLAN

The Forward Plan for the four-month period March, 2023 to June, 2023 was reported for information.

***RESOLVED –**

That the Forward Plan be noted.

94 STAVELEY TOWN COUNCIL - FINANCIAL RESCUE PACKAGE

The Leader of the Council presented a report to enable Cabinet members to consider whether Chesterfield Borough Council should provide a financial rescue package to Staveley Town Council to enable its staff to be paid, its debts to be cleared and some services to be delivered to Staveley households who make annual council tax payments in good faith to Staveley Town Council.

***RESOLVED –**

That it be recommended to full Council;

1. That the Heads of Terms that have been developed by Chesterfield Borough Council as the basis of the financial rescue package for Staveley Town Council be approved.
2. That it be noted that the final decision, on whether Staveley Town Council can borrow money from Chesterfield Borough Council rests with the Secretary of State for the Department for Levelling Up, Housing and Communities.
3. That, subject to the Secretary of State's approval, authority be delegated to the Leader of the Council and Chief Executive to make any final minor adjustments to the Heads of Terms and to sign the financial rescue package on behalf of Chesterfield Borough Council.
4. That authority be delegated to the Chief Executive in consultation with the Leader of the Council and in conjunction with the Service Director – Finance and the Property, Procurement and Contracts Law Manager to finalise the terms of the loan agreement between Chesterfield Borough Council and Staveley Town Council.
5. That the Chief Executive and Service Director - Finance update the Council's Cabinet at appropriate intervals on Staveley Town Council's compliance with the terms of the financial rescue package; this reporting to be informed by the bi-monthly financial

management report that Staveley Town Council will be required to provide to Chesterfield Borough Council demonstrating that expenditure and income performance is in line with agreed budget estimates / cashflow forecasts.

REASONS FOR DECISIONS

1. Without the facility of a loan the only option available to Staveley Town Council to raise the funds they need to pay staff and creditors and deliver some services would be to massively increase their precept i.e., council tax demand. This is not a desirable outcome given the current economic climate and cost of living challenges faced by Staveley households.
2. Without the facility of a loan (and assuming Staveley Town Council is not minded to massively increase its precept), Staveley Town Council would sit in a state of dormancy for the foreseeable future. It cannot be disestablished other than pursuant to a community governance review.
3. Staveley Town Council's staff need to be paid and the deductions made from their wages passported through to HMRC and the Derbyshire Pension Fund; local companies need to be paid for the services and supplies they have provided to Staveley Town Council; the business tenants of Staveley Hall need a reliable landlord to support their needs; and Staveley households merit the delivery of some services in exchange for the council tax they pay each year to Staveley Town Council.

95

COUNCIL PLAN 2023-2027

The Service Director – Corporate presented a report to enable Cabinet members to consider the council's new Council Plan 2023 – 2027 which sets out our vision, priorities, and key deliverables for the next four years. The report also referenced the Performance Management Framework that would be deployed to ensure delivery remained on track.

***RESOLVED –**

That it be recommended to full Council;

1. That the Council Plan 2023 – 2027 be approved.
2. That the Performance Management Framework for 2023 – 2027 be approved.
3. That authority be delegated to the Deputy Leader to approve minor changes to aid operational effectiveness and drafting and design changes to improve the readability and accessibility of the Council Plan.

REASON FOR DECISIONS

To provide the Council with a clear statement of its strategic priorities for 2023 – 2027 and to support delivery via the updated Performance Management Framework.

96 GENERAL FUND CAPITAL PROGRAMME 2023/24

The Group Financial Accountant presented a enable Cabinet members to consider the General Fund Capital Programme for the financial year 2023/24.

The report set out the draft General Fund Capital Programme, incorporating capital expenditure and financing arrangements for the financial years 2022/23 through 2026/27. The Capital Programme gave effect to the council's Capital Strategy and presented, in financial terms, the Council's plan for investment in new buildings and infrastructure and in the improvement of existing capital assets.

Full details of the General Fund Capital Programme were shown in Appendix A of the officer's report.

***RESOLVED –**

That the updated General Fund Capital Programme expenditure and financing be recommended to full Council for approval.

REASON FOR DECISION

To keep Members informed about the council's current General Fund Capital Programme expenditure and financing.

97 **BUDGET AND MEDIUM TERM FINANCIAL PLAN 2023/24**

The Service Director – Finance presented a report for Cabinet to consider the General Fund revenue budget report for the financial year 2023/24 and make recommendations to full Council on the budget allocations and Council Tax level.

The report covered the General Fund revenue budget, one of a suite of budget reports which together make up the Medium-Term Financial Plan (MTFP). The General Fund revenue budget included details of the council's planned expenditure, financed from Council Tax, Business Rates, government grants and fees and charges.

The first draft of the General Fund revenue budget was presented to Cabinet on 24 January 2023. This evidenced a balanced budget for 2023/24 assuming the use of reserves, with gaps of £1.876m in 2024/25, rising to £2.810m in 2026/27.

The latest draft identified net increases in cost pressures of £245k in 2023/24 and £232k in future years, and these were included within Table 1 of the Service Director's report.

The first draft had also set out several new savings and efficiency proposals to address the budget gaps. These had been costed at £1.035m for 2023/24, with a residual impact of £981k in 2025/26. The achievement of these savings would be subject to the appropriate decision making and consultation processes. The new savings and efficiency proposals were detailed in Table 2 of the Service Director's report.

Table 4 (in the Director's report) set out the final budget position, showing the movements (increases and decreases) from the original budget estimates, within the existing MTFP, as approved in February 2022. Given the scale of the financial challenges the Council was facing, it was recommended that £1.000m of the budget risk reserve be used to smooth the gap in 2023/24.

***RESOLVED –**

That it be recommended to full Council;

1. That the forecast outturn for 2022/23 which presents a deficit for the year of £470k to period 9 be noted.
2. That the overall revenue budget for 2023/24 be approved.
3. That the use of £1m from the Budget Risk Reserve to balance the 2023/24 budget be approved.
4. That the 2023/24 Council Tax Requirement and financing be approved.
5. That the increase in the Council's share of Council Tax for properties in each band, a 2.99% increase for a Band 'D' property in 2023/24 to £185.27, be approved.
6. That the Local Council Tax Support scheme which remains unchanged for 2023/24 be approved.
7. That the Collection Fund and the Tax Base forecasts be noted.
8. That the financial projections in the Medium-Term Financial Plan (MTFP) for 2024/25 to 2026/27 be noted.
9. That the estimates of reserves including maintaining the General Working Balance at £1.5m be approved.
10. That the budget risks and sensitivity analysis and the Chief Finance Officer's assurances be noted.

REASON FOR DECISIONS

For the Council to meet the statutory requirements relating to setting the General Fund revenue budget and the level of Council Tax for 2023/24.

The Business Transformation Policy Officer presented a report to enable Cabinet members to consider the council's new Climate Change Strategy for 2023 – 2030 and the Climate Change Year 1 Delivery Plan.

The Climate Change Strategy 2023 - 2030 was detailed in Appendix 1 of the officer's report. The strategy would be supported by a Delivery Plan, which would be reviewed and updated annually in consultation with the Deputy Leader of the Council. The Year 1 Delivery Plan was detailed in Appendix 2 of the officer's report.

In helping to reshape the new Climate Change Strategy, the council had undertaken public consultation with key stakeholders and the wider community. The outcomes generally endorsed the Council's approach, with full details shown in Appendix 3 of the officer's report.

***RESOLVED –**

That it be recommended to full Council;

1. That the Climate Change Strategy for 2023 – 2030 be approved for adoption and implementation.
2. That the accompanying Climate Change Delivery Plan, which details the year one activities (2023 – 2024), be approved for adoption and implementation.
3. That Cabinet be authorised to approve annual updates to the Climate Change Delivery Plan.
4. That authority be delegated to the Service Director – Corporate, in consultation with the Deputy Leader, to make amendments to the Climate Change Delivery Plan working document between the formal review periods to enable operational effectiveness.
5. That the Corporate Climate Change budget, as set out in section 6.0 of the officer's report, and in line with the proposals set out within the Medium Term Financial Plan, be approved.

REASONS FOR DECISIONS

1. In July 2019, Chesterfield Borough Council declared a Climate Emergency. As part of the declaration, CBC made a commitment to become a carbon neutral organisation by 2030 and to support the wider borough to become carbon neutral by 2050.
2. The Council's initial Climate Change Action Plan (2019-23) had largely been implemented. The proposed Climate Change Strategy 2023-2030 would provide a framework for the Council to reach its corporate commitment to becoming carbon neutral by 2030, and take early steps to support the wider Borough to reach carbon neutrality by 2050 as required by government.

99 **CIVIC ARRANGEMENTS 2023/24**

The Cabinet Member for Governance presented a report to enable Cabinet members to consider the appointments of Mayor and Deputy Mayor for the civic year 2023/24 and arrangements for the associated civic events, namely the Annual Civic Service and Parade and Mayoral Reception.

***RESOLVED –**

That it be recommended to full Council;

1. That Councillor Mick Brady be invited to become Mayor of the Borough for 2023/24.
2. That Councillor Howard Borrell be invited to become Deputy Mayor of the Borough for 2023/24.
3. That it be noted that the Annual Council meeting will be held on Wednesday 17 May 2023, followed by a civic reception.
4. That it be noted that the Annual Civic Service and Parade will be held on Saturday 20 May 2023.

REASON FOR DECISIONS

To enable the Council to confirm the civic arrangements for 2023/24.

100 HRA BUDGET 2023/24

The Service Director - Finance presented a report for Cabinet to consider the forecast outturn for the Housing Revenue Account (HRA) for the current financial year, 2022/23, the draft budget for 2023/24 and the Medium-Term Financial Plan (MTFP) for the years 2023/24 through 2026/27.

Table 1 in the Service Director's report summarised the forecast outturn for 2022/23 against the original budget.

The financial strategy for the HRA was to deliver a balanced and sustainable budget which was self-financing over a 40-year horizon, and which reflected both tenant's rights to a decent home and a responsive and progressive housing service and the council's vision and priorities for its communities.

The HRA was not permitted to run in a deficit position and risks would continue to be identified and managed effectively. A minimum balance of £3.4m was maintained to deal with exceptional events.

Table 2 in the Service Director's report summarised the budget estimates for 2023/24 and compared the movements to the original estimates for 2022/23. The MTFP to 2027/28 was attached at Appendix 1 and evidenced the council's ability to maintain a working balance, over and above the minimum of £3.4m, in all financial years.

There was a requirement for the HRA Business Plan to forecast expenditure and income over a 30-year period (for Chesterfield we choose to do this over a 40-year period). The Business Plan provided a financial assessment of the viability and affordability of the council's vision and ambitions for social housing in Chesterfield. The Business Plan was kept under review as part of ongoing budget monitoring and would undergo a significant overhaul when the full impact of the 2022 council housing stock condition survey had been reviewed and understood.

***RESOLVED –**

That it be recommended to full Council;

1. That the forecast outturn for the Housing Revenue Account in the current financial year, 2022/23 be noted.
2. That the draft estimates for the Housing Revenue Account for 2023/24 and future years be approved.
3. That authority be delegated to the Service Director – Housing, in consultation with the Cabinet Member for Housing and the Service Director – Finance, to spend the one-off funding provision of £500,000 to progress service transformation projects, spend to save initiatives and respond to possible in-year changes in legislation and/or national housing policy to ensure that the council continues to meet statutory obligations and has a housing offer which is fit for purpose.

REASONS FOR DECISIONS

1. This report presents an updated assessment of the Council's Housing Revenue Account forecast outturn for 2022/23 and the progress in addressing in year financial challenges.
2. The report also sets out the financial challenges for 2023/24 and for the medium term and presents a balanced Housing Revenue Account for recommendation to full Council.

101 HRA CAPITAL PROGRAMME 2023/24

The Service Director - Housing presented a report to enable Cabinet members to consider the Housing Revenue Account (HRA) Capital Programme for 2023/24 and the indicative Capital Programmes for 2024/25 through 2027/28.

The 2022/23 Programme had been revised to reflect the delayed start of a major new build scheme at Staveley, due to the Covid pandemic and the main contractor going into liquidation. The delayed works had been incorporated into the 2023/24 Programme, which was detailed in Appendix 1 of the Director's report.

The proposed 2023/24 programme had been designed to ensure that 100% of the council's housing stock met the Decent Homes Standards.

It was reported that the 2022 Council Housing Stock Condition Survey, carried out by Savills, had identified that the condition of the housing stock had improved since the previous survey in 2017. The results would be used to update the Programmes for 2023/24 through 2027/28.

***RESOLVED –**

That it be recommended to full Council;

1. That the Housing (Public Sector) revised Capital Programme for 2022/23 be approved.
2. That the Housing (Public Sector) Capital Programme for 2023/24 be approved and its procurement, as necessary, be authorised.
3. That the Housing (Public Sector) Capital Programmes for 2024/25 to 2027/28 be provisionally approved.
4. That authority be delegated to the Service Director – Housing, in consultation with the Cabinet Member for Housing and the Service Director – Finance, to vire between programmes and budgets as necessary, to manage and deliver the Capital Programme for 2023/24 as set out in the report.

REASON FOR DECISIONS

The Council as a social landlord has a legal duty to ensure that all its properties are fully compliant and maintained to Decent Homes standards.