

Cabinet referrals

11 February 2020

7.1 CA/018/20 BUDGET 2020/21

Decision

RESOLVED TO RECOMMEND:

General Fund Revenue Estimate

- a) set a Dacorum Borough Council General Fund Council Tax requirement of £12.086m, and a provisional amount of £13.058m for the combined Borough Council and Parish Councils' requirement for 2020/21;
- b) approve a Band D Council Tax increase of £5 (2.48%) for Dacorum Borough Council;
- c) approve the base estimates for 2020/21, as shown in Appendix A1, and the indicative budget forecasts for 2020/21 – 2023/24, as shown in Appendix A2;
- d) approve the forecast balances of Revenue Reserves as shown in Appendix J, and approve section 10 of this report as the updated Reserves Strategy;
- e) approve increases in Fees and Charges for 2020/21 as set out in Appendices C3, D3, and E3;
- f) approve and adopt the Treasury Management Strategy for 2020/21, attached at Appendix K;
- g) approve and adopt the Capital Strategy for 2020/21, attached at Appendix L;
- h) note that this budget paper, if approved by Council, will form part of the Medium Term Financial Strategy.

Capital Programme

- i) approve the Capital Programme for 2020/21 to 2024/25, as detailed in Appendix I and Appendix M respectively;
- j) approve the financing proposals in Appendix I subject to an annual review of the financing options by the Corporate Director (Finance & Operations), in consultation with the Portfolio Holder for Finance and Resources, during the preparation of the Statement of Accounts.

Housing Revenue Account (HRA)

- k) set dwelling rents according to the new MHCLG Rent Standard, which provides for a rent increase of CPI+1% (2.7% in total). The average dwelling rents is proposed to increase to £103.12 in 2020/21, from its current level of £100.47(based on 52 weeks);
- l) approve the HRA estimate for 2020/21 as shown in Appendix F.

Employer Terms & Conditions

m) note that the hourly rate of all Council employees continues to exceed the rate proposed by the rates of the Living Wage Foundation, for 2019/20 (to be reviewed annually thereafter).

Statement by Chief Finance Officer

n) approve the statement by the Chief Finance Officer regarding the robustness of the budget estimates and level of reserves as set out in Appendix M.

Corporate objectives

All of the Council's corporate objectives are reflected in the Budget proposals.

Monitoring Officer:

Under the Council's Constitution it is the responsibility of Cabinet to draw up firm proposals for the Budget, having regard to the responses to the consultation, and to present those proposals to full Council for approval. Once full Council has approved the Budget it is the responsibility of Cabinet to implement it.

S.151 Officer:

Comments contained in body of report. Chief Finance Officer Statement contained in Appendix N of the report.

Advice

Councillor Elliot introduced the report and said he was pleased to present the council's budget proposals for next year. All elements of the budget have been through a rigorous scrutiny process and the content of the report should be familiar to members. The headlines that are worth noting:

- achieved a General Fund savings target of £780k whilst maintaining front line services.
- The proposed capital programme will provide £320m of investment over the next five years.
- The HRA new build programme will provide £115m of development for affordable housing.

This budget proposal represents a culmination of several months of hard work from officers across the council.

Councillor Birnie said the report was the clearest and most comprehensive report he had read for a long time so congratulated officers. He referred to page 23 and the sum of money that had been put aside funded by negative RSG to fund future investment and questioned whether this would be enough in light of the complaints received from residents about the website and the planning system. He said suggestions had been made at SPAE OSC and the Task and Finish Group about the recruitment of a marketing officer to look at viability of the general website and complaints had been made about the hardware that had been bought for planning.

Councillor Williams said this was a reserve the council didn't have before.

J Deane said there was a technology reserve in the past. The RSG is for one-off benefits like further investment of the IT systems. This works hand in hand with the management of change reserve. There is a clear idea of investment and could create a reserve to cover all eventualities but this would be at the expense of another service.

Councillor Birnie said the matter needs immediate consideration as it is so important to residents.

S Marshall said she would like to speak to Councillor Birnie outside the meeting as this is the first time she has been made aware of website issues. There was a website refresh a year ago. The council have implemented a new planning system and there has been hiccups as we are in the implementation period. It would be premature to look at a complete review now.

Councillor Williams said he raised this issue with the service and has been assured the teething problems have been addressed. There have been some recruitment problems in the website team but now have three team members in place.

Councillor Griffiths said most comments on the budget had been made at the different Overview and Scrutiny Committees or will be raised at Full Council.

Recommendations agreed

7.2 CA/019/20 Q3 BUDGET MONITORING REPORT

Decision

RESOLVED TO RECOMMEND:

- 1. Consider the budget monitoring position for each of the above accounts;**
- 2. Recommend to Council approval of the revised capital programme to move £4.956m slippage identified at Quarter 3 into financial year 2020/21 as detailed in Appendix C;**
- 3. Recommend to Council approval of supplementary revenue budgets funded from reserves:**
 - Supplementary budget of £40k in the Neighbourhood Delivery service, funded from the Management of Change reserve, to fund interim resource to support delivery of new service initiatives**
 - Additional budget of £30k in the Elections service, funded from drawdown of £30k from the Election reserve**
 - Supplementary budget in the Planning service of £103k to fund the revenue costs of implementation of new Planning software, funded from the Planning & Regeneration reserve**
 - Supplementary budget of £170k to fund costs relating to the Hand Arm Vibration legal case, to be funded from the Litigation Reserve.**
 - Supplementary budget of £28k in Waste Services to fund consultancy work to support service improvements, funded from the Management of Change reserve**
 - Supplementary budget of £80k in the garages employees budget to fund interim resource, funded from the Invest to Save reserve**

- Supplementary budget of £60k to fund one-off expenditure for a garage stock condition survey, funded from the Invest to Save reserve
4. Recommend to Council approval of supplementary capital budgets required to deliver several service changes as set out below:
- A capital budget of £66k to fund replacement boilers at Berkhamsted Leisure Centre
 - A capital budget of £55k to fund new poolside flooring at Berkhamsted Leisure Centre
 - Additional capital budget of £598k in the Affordable Housing Development fund, funded from Housing one-for-one ('1-4-1') receipts
5. Recommend to Council additional reserves drawdowns as set out below:
- Drawdown of £1,750k from the Vehicle Replacement Reserve to fund capital investment in the Council's waste fleet
 - Drawdown of £8k from Tring Swimming Pool reserve to fund capital works at the site.
6. Approve a capital virement of £900k to reallocate budget for the acquisition of Eastwick Row from the HRA New Build General budget to the Eastwick Row budget
7. Agree the annual update of the Council's flexible use of capital receipts strategy at Appendix D of this report.

Deputy Section 151 Officer:

Comments included within the body of this report.

Monitoring Officer:

No comments to add to the report.

Advice

Councillor Elliot introduced the report. There is a pressure of £148k forecast in the general fund but this is projected to balance out in Q4.

Recommendations agreed.

7.3 CA/021/20 SENIOR OFFICER PAY POLICY

Decision

RESOLVED TO RECOMMEND

- 1. The adoption of the Pay Policy for 2020/21 as set out in appendix 1 to the Cabinet report.**
- 2. That any amendments to the Pay Policy throughout the financial year 2020/2021 which may be required as a result of legislative changes can be approved by the Chief Executive in conjunction with the Council's Monitoring Officer.**

Corporate objectives

The Council's policies in respect of pay and terms and conditions support all five of the Council's strategic objectives as part of ensuring that services to the community can be delivered to the required standards and with due regard to economy, efficiency and effectiveness

Deputy Monitoring Officer:

The Senior Pay Policy is required by virtue of section 38 of the Localism Act 2011 and this Pay Policy complies with the statutory requirement and associated guidance.

Deputy S.151 Officer:

No further comments to add to the report.

Advice

Councillor Williams introduced the report. This was an annual report.

Councillor Tindall referred to page 200 and the footnote to paragraph 5.7 that mentions lease car allowances are consolidated within basic pay and raised concerns about this.

S Marshall said this was looked at 2 or 3 years ago and consulted with the trade union. It was a collective agreement after negotiations. It was a compromise to protect both parties' interests. The key reason for change was that it was a historic arrangement where car allowances were granted at a time about 15 years ago where recruitment and retention of staff was difficult and it became untenable.

Recommendations agreed.