

Part 1 Cabinet Referrals

27th September 2022

CA/74/22 FINANCIAL PERFORMANCE Q1 2022-23

Decision

1. Cabinet noted the financial position for 2022-23 as at Quarter 1, and;

RESOLVED TO RECOMMEND;

2. That Council approve the revised capital programme to move £13.740m slippage identified at Quarter 1 into financial year 2023/24 as detailed in Appendix C.
3. That Council approves a supplementary Capital budget of £1.000m for the HRA for the re-purchasing of Right To Buy properties.

Corporate Priorities

A clean, safe and enjoyable environment; Building strong and vibrant communities; Ensuring economic growth and prosperity; Providing good quality affordable homes, in particular for those most in need; Ensuring efficient, effective and modern service delivery; Climate and ecological emergency

Statutory Officer Comments:

Monitoring Officer:

No comments to add to the report.

Deputy S151 Officer:

This is a Deputy S151 report

Advice

Cllr Elliott introduced the report, advising this has been through Overview & Scrutiny. Figures are no surprise, there is an overall pressure on the general fund.

NHowcutt added that since report was written the fiscal environment is changing on a daily basis.

Cllr Tindall referred to Council Tax liability for empty homes falling to Council, noting the concern around empty homes in such times of need and asked; can that be confirmed.

NHowcutt confirmed it is a small number of homes, the liability is following the changes to our Council Tax policy; that when properties are vacant for over 30 days we place charges

on that home. There are a small number of homes requiring a large volume of work to be carried out to make them fit to re-let, so may go over the 30 days.

Cllr Griffiths commented that one empty home is a property that a family needs, adding that it is agreed that it is of priority to ensure those homes are made available as quickly as they can be to those that need them.

Recommendations agreed

18th October 2022

CA/85/22 MFTS REFRESH

Decision

It is recommended that Cabinet recommend to Council the approval of the revised Medium Term Financial Strategy for the period 2022/23 –2026/27, including recommendations;

1. To note the financial projections within the 5-year Medium Term Financial Strategy and to approve the Strategy,
2. A General Fund savings target of £1,799k be approved for the 2023/24 budget-setting process;
3. A four-year General Fund savings target of £3.6m be approved for the duration of this Medium Term Financial Strategy;
4. The Chief Finance Officer will work with the Council's Senior Leadership Team and Portfolio Holders to deliver options that will achieve the saving targets identified within the strategy;
5. The Financial Planning Framework is approved to support the budget-setting process for 2023/24;
6. The Chief Finance Officer be requested to revise the Medium Term Financial Strategy and re-present to Cabinet and Council for approval if material changes to forecasts are required following future Government announcements.

Corporate Priorities

A clean, safe and enjoyable environment Building strong and vibrant communities Ensuring economic growth and prosperity Providing good quality affordable homes, in particular for those most in need Ensuring efficient, effective and modern service delivery Climate and ecological emergency

Statutory Officer Comments:

Monitoring Officer:

The MTFs is an essential strategy to ensure that the Council has appropriate governance and oversight of its financial position and this report provides that overview and financial planning for the medium term.

S151 Officer:

This is a S151 Officer report.

Advice

Cllr Elliot said that this was a bit of a moving feast, as the macro and micro financial situation is changing on a daily basis. The council does need to have in place a medium term financial strategy that runs for a period of 5 years. They have headwinds coming their way with inflation, increase in supplier costs, and increase in salaries and issues with funding from central government. It was good that they had been a prudent council and had been able to absorb the shocks that had come through. With their commercial strategy that was coming forward, they could future proof any other issues that may come down the line. He thanked Nigel and the team for preparing this document he said it was clear, concise and easy to understand.

Nigel H said that they had a sustainable medium term financial strategy, it outlined that they had 3.6 million to achieve over the next five years of which they had a gap to fill of 0.8million. They have many strategies to implement and deliver; it outlines the work that had been put in over the last six to nine months to develop that strategy. He said it was a sustainable footing as long as they could deliver on the strategies that they had outlines and driving forward now.

Cllr Tindall referred to par 5.6 where is mentions "any authority that does not increase council tax by the maximum permissible amount". He said that this was something that they had before and is most likely going to happen. Looking at the costs of living crisis going through the winter, how geared up are we to exercise the maximum advice for benefits, council tax rebates and payment for those that are going to struggle, or those struggling already and will struggle further with this increase.

Nigel Howcutt responded that in term of the proposed increase at the moment of £5 which was approximately 3.3% was significantly below current inflation levels, from that perspective it was an inflation busting increase, this was positive for those that have very few pounds in the pocket. In terms of the benefits support he said that they have a very good council tax support scheme in which they aim to help those that were financially vulnerable, however they do ask that everybody contribute a small amount towards that so they had always achieved a good level in terms of support for residents. They do have a high council tax collection rate, the highest in Hertfordshire that was because they have a fair scheme that puts resident's front and centre. There may be proposals that comes out in the next few months around council tax regulations, around what they can and cannot do and how that changes. As a council and cabinet, they would assess any changes that the government may bring in. The fact that it was below inflation rates and about half of what average pay rates were going up by he feels that this would be one of the only bills that people receive that was not increasing astronomically.

Cllr Williams clarified that it was actually 2.3% increase and the 1% comes from growth, fairly modest against the 10% inflation rate.

Cllr Griffiths said that she took issue with Nigel saying the work that had gone on for 9 months, although it had gone on for 9 months it was fair to say that it had gone on a lot longer than the prudence they had over the years had ensured that like some councils they have not fallen over.

Nigel responded in terms of prudence or good fiscal planning they had been very astute in recent years meaning they were able to react to things like Covid in a positive way to continue to focus on their main strategies in terms of supporting frontline services. They were only able to do that because of fiscal plans they had in advance. It went beyond the time that he had been there; fiscal planning had been very strong, they have a good framework, monitoring, controls, checks and balances, supported by internal audit reports that support that as well. They also have very clean value for money external audits in the last few years as well.

Recommendation agreed

CA/86/22 ANNUAL TREASURY REPORT

Decision

1. That Cabinet recommends to Council acceptance of the report on Treasury Management performance in 2021/22 and the Prudential Indicators for 2021/22.

Corporate Priorities

A clean, safe and enjoyable environment; Building strong and vibrant communities; Ensuring economic growth and prosperity; Providing good quality affordable homes, in particular for those most in need

Statutory Officer Comments:

Monitoring Officer:

No comments to add to the report

S151 Officer:

This is a Deputy S151 Officer report. Comments are contained within the body of the report.

Advice

Cllr Elliott advised that this is the usual annual review and he would like to draw attention to the fact that interest rates have increased and borrowing has gone up but we are in a fairly robust situation with regard to Treasury Management. We are looking at other ways are to increase our returns on cash but this will be done in a very prudent way.

Recommendations agreed

15th November 2022

CA/96/22 FINANCIAL MONITORING REPORT

Decision

1. Cabinet noted the financial outturn position for the General Fund and Housing Revenue account as forecast at Quarter 2. The revenue outturn forecast is a deficit of £0.111m for the General Fund and a deficit of £0.538m for the Housing Revenue Account. The Council's capital programme is forecast on budget, with additional slippage of £3.387m on General Fund schemes and slippage of £17.278m for the HRA.
2. Cabinet **RESOLVED TO RECOMMEND** to Council the approval of the draw down of £870k from the Dacorum Development Reserve to fund the 2022/23 employee pay award and reallocation of £270k of the HRA revenue contribution to capital.

Corporate Priorities

A clean, safe and enjoyable environment; Building strong and vibrant communities; Ensuring economic growth and prosperity; Providing good quality affordable homes, in particular for those most in need; Ensuring efficient, effective and modern service delivery; Climate and ecological emergency.

Statutory Officer Comments:

Monitoring Officer:

The report is part of the Council's continual budget monitoring and provides members with the required oversight of the Council's financial position at quarter 2.

S151 Officer:

This report is a S151 Officer report.

Advice

Cllr Elliot introduced the report and recommendations, there were no questions.

Recommendations agreed