

Minutes

Cabinet

5th February 2024



These Minutes principally record decisions taken and, where appropriate, the reasons for the decisions. A recording of the meeting is available at <http://www.braintree.gov.uk/youtube>

Present:

Portfolio	Cabinet Member	Present
Overall Strategy	Councillor G Butland (Leader of the Council)	Yes
Deputy Cabinet Member to the Leader	Councillor B Taylor	Yes
Deputy Cabinet Member to the Leader	Councillor R van Dulken	Yes
Transformation, Performance and Delivery		
Resources and Performance	Councillor K Bowers	Yes
Transformation, the Environment and Customer Services	Councillor T Cunningham (Deputy Leader)	Yes
Deputy Cabinet Member	Councillor P Schwier	Yes
Connecting People, Places and Prosperity		
Economic Growth and Inward Investment	Councillor F Ricci	Yes
Planning and Infrastructure	Councillor G Spray	Yes
Deputy Cabinet Member	Councillor J Coleridge	Yes
Supporting Communities		
Housing, Health and Wellbeing	Councillor L Bowers-Flint	Yes
Health and Wellbeing	Councillor M Cunningham	Yes
Deputy Cabinet Member	Councillor C Dervish	Apologies

Present as Invitees of the Leader:

Councillor L Jefferis (Leader of the Labour Group), Councillor J Beavis (Leader of the Independent and Green Group) and Councillor Pell (Leader of the Halstead Residents Group) were present as invitees of the Leader.

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56. **DECLARATIONS OF INTEREST**

INFORMATION: There were no interests declared.

57. **MINUTES**

DECISION: That the Minutes of the meeting of Cabinet held on 22nd January 2024 were approved as a correct record and signed by the Chairman.

58. **QUESTION TIME**

INFORMATION: There were no registered speakers for public question time.

The Chairman invited the Members who were present in the public gallery whether they wished to ask a question or make a statements. In response to this invite, none were made.

59. **COUNCIL BUDGET AND COUNCIL TAX 2024/25 AND MEDIUM TERM FINANCIAL STRATEGY 2024/25 TO 2027/28**

INFORMATION: Members were reminded that this item formed part of a wider budget review and followed on from the meeting of the Corporate Scrutiny Committee on 31st January 2024 whereby all Members were invited to attend the meeting to consider this item.

Members were advised that earlier today the Council had received the details of the final Local Government Finance Settlement (LGFS) from Goevernment which had confirmed the amounts receivable for Braintree District Council. In line with initial estimates following the recent announcement on extra money for Councils, the Council would receive additional grants of £173k from that set out in the provisional settlement. This comprised of £4,000 of Rural Services Delivery Grant, £2000 from extra Services Grant, and £167k from the Funding Guarantee which was increased from 3% to 4%. It was added that when the Government announced that extra funding would be made available, this should be applied to budgets and not added to reserves. A report to Full Council will set out how the extra funding is proposed to be used.

Members were advised that everything else in the LGFS for the Council remains as per the provisional settlement, including the allocation of £1.2m of New Homes Bonus, and the Council Tax referendum limit of 'less than 3% or £5'. The increase in Core Spending Power would now be 5.9%, which was based on the assumption that the Council adopted the maximum increase in Council Tax rate. It was noted that the national average increase in Core Spending for all Councils was 7.5% in cash terms.

It was reported that the final settlement confirmed the requirement for councils to produce productivity plans by July 2024, to be agreed by Leaders and Members, and published on websites, with progress updates. The Government had stated that plans were expected to cover the following areas:

- transformation of services to make better use of resources;
- opportunities to take advantage of advances in technology and make better use of data to inform decision making and service design;

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- ways to reduce wasteful spend within systems, including specific consideration of expenditure on consultants and staff Equality, Diversity and Inclusion programmes – this does not include programmes designed to promote integration and civic pride, and counter extremism; and
- barriers preventing activity that Government can help to reduce or remove.

Alongside this, a new productivity review panel, made up of sector experts including the Office for Local Government and the Local Government Association would also be formed. The statutory reports which make up the final settlement would be considered by Parliament on 7th February 2024.

The Cabinet Member for Resources and Performance then set out the report to Members. He advised Members that since the Full Council agreed the budget for 2023-24, global events and a post-pandemic world continued to make for a challenging and difficult economic backdrop for the 2024-25 budget resulting in greater uncertainty, volatility, and risk. Residents and businesses continued to be affected by persistent inflation and high interest rates, impacting on household budgets for essential items such as food, heating, mortgages, and rents. Businesses were facing increased costs and investment was difficult with higher borrowing costs.

The Council faced its own cost pressures due to higher pay costs, inflation, and demand for services. Decisions on capital investment needed to be weighed against the backdrop of higher borrowing costs. Sound financial management and a prudent approach has meant this Council was in a better position than many others. Nevertheless, whilst the budget for 2024-25 had been balanced, a budget gap remained over the medium term which would only be addressed by continuing to look at better ways of delivering services and ensuring that finite resources were focused on the priorities which were seen as important to residents and businesses.

Members were reminded that in 2023-24, the Council committed to a two-year programme of support, investing £1million to work with partners in supporting residents with the cost-of-living. 2024-25 would also see further investment of over £1m into communities and businesses through plans for spending the Shared Prosperity and Rural England Prosperity allocated funding.

There has been a number of opportunities for engagement through the budget setting process, this has included the Performance Management Scrutiny Committee on 22nd November 2023 and 31st January 2024, the opportunity for residents to put forward their views on the priorities and budget decisions as part of our consultation for developing a new Corporate Strategy, as well as Business Newsletters, the Braintree District Businesses Facebook, press releases, social media, and staff briefings.

It was added that a new Council Tax Support Scheme agreed by Full Council in December would distribute around £7.8m of council tax support to low-income households of both pension and working age. There would also be an extra £50k allocated for the Exceptional Hardship Fund and The Council would also be providing £178k of financial aid to those in need with housing related costs through the DHP Fund.

In regard to investing in Council services, pay, general inflation and other cost

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pressures and economic impacts on existing services added £2m to the spend for 2024/25. The Council had prioritised £285k of extra funding to ensure that as an organisation it had the right level of resources in place and could attract and retain the best staff in a highly competitive job market to manage and deliver services. Additional funding had also been allocated for extra resources into the Customer Service Centre to be able respond to customer calls and enquiries. The Council were continuing with the Councillor Community Grant Scheme that gave every Councillor £1250 to use to help community projects. It was also added that an additional £200k was being allocated to fund Climate Change initiatives topping up the previous £624k which was already delivering against the Council's Action Plan. The Council would retain the current budget for the Street Scene Partnership which provided £89k to Parish Councils to help keep local areas looking clean, tidy and well maintained.

Members were advised that to balance the budget, new savings and additional income of £296k had been reflected with no adverse impact on front-line services. Interest and dividends from investing balances and reserves were expected to generate an extra £840k of income in 2024/25, totalling £2.1m. The Garden Waste subscription service had exceeded expectations with £500k of income in the first year, and an additional £400k, cumulative £900k, by 2025/26. It was added that over a three-year period, the new service was projected to break-even against its direct operating cost. , Finally, discretionary fees & charges had been reviewed with proposed increases reflecting cost of services, comparative data, statutory limitations, and service needs. It was added that there were no changes to car parking charges proposed for 2024/25.

The Cabinet Member advised Members that the Council were recommending a Council Tax rate for Braintree's share of the overall bill of £200.07 for a Band D property, which would be 11p per week extra Braintree District Council was expected to continue to have one of the lowest council tax rates in Essex and to be still below the Shire District average.

DECISION:

1. That it be Recommended to Council that the following be approved:
 - 1.1. The revenue budget for 2024-25 as set out in Appendix A to the report, having considered the report of the S151 Officer on the robustness of the estimates and the adequacy of the proposed financial reserves as set out in Appendix F.
 - 1.2. The Council's discretionary fees and charges for 2024-25 as detailed in Appendix B to the report.
 - 1.3. Delegated authority is given to the appropriate Cabinet Members to determine the level of charges where these are subject to third party information or agreed with external partners; or where in-year changes are required for commercial or concessionary reasons.
 - 1.4. The Council's policy for discretionary business rate relief (under section 47 of the Local Government Act 1988), as detailed in Section 9 of the report.

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- 1.5. The discretionary policy for council tax discounts and exemptions, and premiums as detailed in Section 12 of the report, including reducing the qualifying period from two years to one year for certain empty properties from which a 100% premium will become chargeable; and to provide notice that it- is intended to introduce a 100% premium on second homes, subject to certain exemptions, with effect from 1st April 2025.
- 1.6. To delegate to the Cabinet Member for Resources and Performance, in consultation with the Section 151 Officer, to determine the exemption categories for Council Tax premiums on empty homes and second homes, taking into account government guidance.
- 1.7. The Council's Pay Policy as detailed in Appendix C to the main, report, subject to the amounts of pay included being updated in line with the final agreed pay settlement for the cost-of-living award due to be implemented with effect from 1st April 2024.
- 1.8. The estimated movements on earmarked reserves as detailed in Appendix D to the main report.
- 1.9. The allocation of New Homes Bonus receivable for 2024-25 in equal proportions as funding for the Fit for the Future transformation programme, and to hold as a risk management reserve.

Capital

- 1.10 The Capital bids for 2024-25 listed in Appendix E to the main report.
- 1.11 A Disabled Facilities Grants programme which matches the resources allocated to the Council from the Better Care Fund.

Capital and Investment Strategy and Treasury Management Strategy

- 1.12 The Capital and Investment Strategy as detailed in Appendix G to the main report including the Authorised Borrowing Limit of £50million for the 2024-25 financial year, the related Prudential Indicators, and the policy for Minimum Revenue Policy.
- 1.13 The Treasury Management Strategy as detailed in Appendix H to the main report including related Prudential Indicators.

Council Tax

- 1.14 A council tax requirement of £11,386,784, resulting in the Council's element of council tax being £200.07 for a Band D property in 2024-25.

2. That Cabinet agreed to:

- 2.1 Delegate authority to the Cabinet Member for Resources and

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Performance to agree requests for unspent budgets in 2023-24 to be carried forward to the following year, and to agree final movements on earmarked reserves for the 2023-24 financial year.

The meeting commenced at 7.15pm and closed at 7.39pm.

COUNCILLOR G BUTLAND
(Leader of the Council)

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