

## RECOMMENDATIONS TO CABINET 7 FEBRUARY 2024 FROM THE JOINT PANEL MEETING HELD ON 1 FEBRUARY 2024

### 8 **CABINET REPORT - CAPITAL PROGRAMME AND RESOURCES 2023-2028**

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The Assistant Director, Resources presented the report which:

- Revised the 2023/2024 projections for spending on the capital programme.
- Set out an estimate of capital resources that would be available for 2023-2028.
- Detailed new capital bids that were recommended to be included in the capital programme for the period 2023-2028.
- Outlined provision figures for capital expenditure for the period 2023-2028.

The Chair thanked the Assistant Director for the report and invited questions and comments from the Panel, a summary of which is set out below.

The Chair reminded the Panel that the appendix was exempt and if there were any questions a resolution to exclude the press and public would be required.

The Assistant Director, Resources provided an overview of the work being undertaken on the Capital Programme and that an update would be available in the next few months.

Councillor Dark commented that he appreciated this was a budget meeting but highlighted the importance of remembering that in the capital projects which were major projects was a decision of Full Council. Councillor Dark added that in recent years nothing got approval unless it was deemed as a real benefit to the residents of West Norfolk.

Councillor Dark further commented that on the projects that did not yet have a spade in the ground required a process around finance and to be brought back to Councillors for a decision on whether the project should/should not proceed.

The Assistant Director, Resources responded to questions from Councillor Long on the Refit project.

At the invitation of the Chair, the Portfolio Holder, Finance addressed the Panel.

The Portfolio Holder, Finance outlined the steps being taken to provide more accurate figures in relation to the Capital Programme and to provide more up to date information to the Member Major Projects Board.

**RESOLVED:** The Joint Panel supported the recommendation to Cabinet as set out below:

It is recommended that:

- 1) Cabinet recommends to Council the amendments to capital schemes and resources for the 2028-2028 capital programme as detailed in the report.
- 2) Cabinet recommends to Council that new capital bids as set out in section 5 table 6, are to be funded from available capital resources and included in the capital programme 2023-2028 as detailed.

9 **CABINET REPORT - TREASURY MANAGEMENT STRATEGY/INVESTMENT STRATEGY**

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In presenting the report, the Assistant Director, Resources explained that the Council was required to receive and approve a Treasury Management Strategy Statement; Annual Investment Strategy; and Minimum Revenue Provision Policy Statement which covered:

- The Treasury Management Strategy.
- Capital plans, including prudential indicators.
- A Minimum Revenue Provision (MRP) Policy.
- An Investment Strategy.

The Panel was advised that the report covered the requirements of the Local Government Act 2003, the Chartered Institute of Public Finance Accounts (CIPFA) Prudential Code. The Department of Levelling Up, Housing and Communities (DLUHC – this was formerly the Ministry of Housing, Communities and Local Government (MHCLG), MRP Guidance, the CIPFA Treasury Management Code and the DLUHC Investment Guidance.

The Council's Treasury Advisor, Link Asset Services, provided a template document for the Treasury Management Strategy Statement, which is fully compliant with CIPFA's code and CLUHC's guidance. It was highlighted that the Council had used the template in preparing the report.

It was explained that the report looked at the period 2024-2028, which fits with the Council's Financial Plan and Capital Programme. Officers of the Council had prepared the report based on their views of

forecasts for interest rates and have used information provided by the Council's Treasury Management Advisor, Link Asset Services.

The Chair thanked the Assistant Resources for the report and invited questions and comments from the Panels, a summary of which is set out below.

There were no questions from the Panel.

There were no questions from Councillors attending under Standing Order 34.

The Portfolio Holder for Finance advised he had nothing further to add.

**RESOLVED:** The Joint Panel supported the recommendation to Cabinet as set out below:

- The Treasury Management Strategy Statement 2024/2025, including treasury indicators for 2024-2028.
- The Minimum Revenue Provision Policy 2024/2025.
- The Investment Strategy 2024/2025.

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## **CABINET REPORT - CAPITAL STRATEGY 2024/2025**

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The Assistant Director, Resources presented the Capital Strategy for 2024/2025 which outlined the principles and framework that shaped the Council's capital decisions.

The Assistant Director drew attention to 3.6, page 77 which set out the proposals for the property companies and made reference to the housing to rent schemes with West Norfolk Properties which had been updated in relation to the objectives.

The Chair thanked the Assistant Director for the comprehensive report and invited questions and comments from Panel.

There were no questions from the Panel.

Under Standing Order 34, Councillor Beales commented on the finance for the housing and ask how the housing finance not being dealt with at Council on 31 January 2024, the recommendation to give delegated authority to the S151 Officer to amend cap strategy how does it impact and how would it be dealt with it. In response, the Assistant Director explained that the recommendation to Council was so that it could be dealt with outside the budget setting process.

**RESOLVED:** The Joint Panel supported the recommendation to Cabinet as set out below:

1) That Cabinet approve the Capital Strategy for 2024/2025 as attached to the report.

11 **CABINET REPORT: FINANCIAL PLAN 2023 TO 2028**

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This item was considered first on the agenda.

The Assistant Director, Resources presented the Financial Plan 2023 to 2028 and noted changes that had already happened since the report was published and that there would be further changes when final settlement allocation figures are published which would be reflected in the final report to Council.

The Chair thanked the Assistant Director for the report.

The Chair invited the Portfolio Holder for Finance to address the Panel.

The Portfolio Holder for Finance explained that the total fees and charges generated £15m revenue and explained that if fees and charges were not increased the Council would lose out on not generating additional income. It was planned to increase fees and charges where possible by an average of 10%. The Panel was advised, however, that some that some fees and charges were dictated to the Council. The proposed increase would generate £1m. The Portfolio Holder for Finance also commented on the staffing budget of approximately £18m in total important costs and that the next paper would include details of what the Corporate Performance Panel wished to see in the way of more definition on years as it went forward.

The Portfolio Holder for Finance referred to different services the Council delivered and explained that he was moving towards producing a traditional profit and loss account for each project and gave the Town Hall as an example.

The Chair invited questions and comments from the Panel, a summary of which is set out below.

The Assistant Director, Resources responded to questions from Councillor Ryves on the effects West Norfolk Housing and West Norfolk Property companies in relation to loans, interest and rental income for those properties in existence. The Assistant Director, Resources referred Councillor Ryves to pages 52, 93 and 94 of the report.

Under Standing Order 34, Councillor Bone (Zoom) asked if the decision at Full Council on 31 January 2024 regarding adjustments to council tax would help to address the budget gap in future years. In

response, the Assistant Director Resources explained that it was a difficult question to respond to as discussions were required by the County Council and it could not be determined how the discussions would go. The Assistant Director added that the Council's Cost Management Income Generation Plan factored in council tax that this authority could get from schemes based on full amounts and it was believed that the council would not realise the full amount at this stage and assessing this would require further work. Second Homes would not be implemented until 2025 and outlined the process with the County Council.

The Assistant Director, Resources responded to questions from Councillor Jones on the fees and charges for licensing and the consultation process and exercise undertaken.

The Assistant Director, Resources responded to questions from Councillor Ryves in relation to reserves brought forward in relation to income generation projects. The £3m reserve was within the projects reserves. The Assistant Director provided an overview of the work which had been undertaken regarding earmarked reserves and that a further £3m had been transferred to support the medium-term Financial Plan which was agreed at Council in February 2023.

In response to questions from Councillor Lintern on Appendix 6, special expenses for parishes, the Assistant Director, Resources explained that there were a number of services the Council provided across various ward areas, for example, grounds maintenance, street lighting, dog bins, etc. It was explained that when the report was presented to Full Council a full breakdown of special expenses would be attached as an appendix.

The Assistant Director, Resources responded to questions from Councillor Ratcliffe on the cost of temporary accommodation for people at risk of homelessness and undertook to circulate the information requested separately.

The Assistant Director, Resources responded to further questions from Councillor Ryves on profits from ongoing residential development projects.

Councillor Dark thanked the Assistant Director for the report.

The Assistant Director, Resources responded to questions and comments from Councillor Dark on the underspends and lessons learnt.

The Assistant Director, Resources and Financial Services Manager responded to questions from Councillor Long on the fees and charges relating to stray dog recovery.

At the invitation of the Chair, the Portfolio Holder, Finance addressed the Panel.

The Portfolio Holder, Finance responded to comments made by Councillor Ryves on the £3m invest to win reserve and advised that any proposals to utilise the reserve would require full Council approval. The Portfolio Holder, Finance also responded to comments made by the Panel on the underspends.

Following a question from Councillor Ryves, the Assistant Director Resources advised that the Financial Plan would not result in the issuing of a Section 114 notice and that good progress was being made towards a funded budget.

**RESOLVED:** The Joint Panel supported the recommendations to Cabinet as set out below:

Recommendation 1

It is recommended that Council note the revision to the Forecast for 2023/2024 as set out in the report.

Recommendation 2

Council is recommended to approve the Policy on Earmarked Reserves and General Fund Balance and the maximum balances set for the reserves as noted in the report and at Appendix 7.

Recommendation 3

It is recommended that Council:

- 1) Approves the budget requirement of £24,353,670 for 2024/2025 and notes the projections for 2025/2026, 2026/2027 and 2027/2028.
- 2) Approves the level of Special Expenses for the Town/Parish Councils as detailed in the report (Appendix 6).
- 3) Approves the Fees and Charges 2024/2025 detailed in Appendix 4.
- 4) Approves a Band D council tax of £148.37 for 2025/2025.

Recommendation 4

It is recommended that Council approves a minimum requirement of the General Fund balance for 2024/25 of £1,217,680 (5% of estimated budget requirement).

Recommendation 5

Pursuant to Section 25 of the Local Government Act, Council is asked to have due regard to this statement at Section 9 of this report when

considering and approving the budget and the level of council tax for 2024/2025.

The Leader thanked the Finance Team for the significant work undertaken.