

RECOMMENDATIONS TO CABINET 4TH FEBRUARY 2025 FROM THE JOINT PANEL MEETING ON 29TH JANUARY 2025

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CABINET REPORT- FINANCIAL PLAN- 2024-2029

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The Assistant Director for Resources and Section 151 Officer gave a presentation to the Panel to accompany the report. A copy of the presentation is attached.

The Chair thanked the Assistant Director for Resources and Section 151 Officer and invited questions and comments from the Panel, a summary of which is set out below.

In response to Councillor Parish, under Standing Order 34, the Assistant Director for Resources and Section 151 Officer confirmed there was additional grants to prevent homelessness along with the work carried out through the Homelessness Strategy. She added the second home premiums would be beneficial as this income would be used to support homelessness.

Under Standing Order 34, Councillor Parish sought clarification on the position of the budget in two years following the Local Government re-organisation announcements and it was explained that work would continue on delivering a budget for the council up to until the re-organisation and work would also begin with the merging Council's finance teams to create a new budget for any new council going forward.

Under Standing Order 34, Councillor Parish referred to the Internal Drainage Board (IDB) and asked for confirmation on the estimated income.

The Assistant Director for Resources and Section 151 Officer confirmed the Council had received £205,000 for 2023/2024 and £254,000 for 2024/2025 and this was measured on the most significantly impacted Council's which varies from year to year. She explained an estimated amount of £150,000 was included as the Council were expected to receive an amount, but the exact amount was unknown.

In response to Councillor Parish question on the new home's bonus ending, the Assistant Director for Resources and Section 151 Officer advised the bonus had lost the incentive element due to it being included within the settlement formula. She explained the government were considering whether to replace it with a new scheme.

Under Standing Order 34, on Zoom, Councillor Kemp asked if the Council could retain income received from renewable energy. Additionally, she sought clarification on the income generated from industrial units that were fully occupied along with the income from car parks, both the Council and shared services.

The Portfolio Holder for Finance, Councillor Morley advised the Panel that with the Local Government Reorganisation, the Council would not be excessively spending and have a tight forecast. He added the process had tried to be inclusive and encourage other parties to submit bids. He explained further Officers had made extra effort to ensure they brought forward net figures based upon efficiency and increased charges. He finally added, income included, fees, business rates, council tax, grants and reserves.

In response to Councillor Blunt's question, the Assistant Director for Resources and Section 151 Officer confirmed the forecast programme had allowed for 300 new homes but recognised the requirement had now been increased and discussions needed to be held with the Planning department to review this.

Councillor Blunt commented 300 new homes was too low and a realistic figure could be estimated by considering the new developments being built.

The Assistant Director for Resources and Section 151 Officer confirmed the estimation of 300 new homes was calculated on a council tax, band D as new homes being built varied in band and that the calculation also had other factors included but agreed that it needed to be reviewed with the Planning Team.

Councillor Crofts sought clarification on what would happen with the reserves once there was a re-organisation and the Council no longer existed in its current format.

The Assistant Director for Resources and Section 151 Officer confirmed the reserves would need to be considered in the lead up to the new authority. She added as part of the devolution process, there is likely to be restrictions introduced on spending reserves.

Councillor Lintern asked if the intention was to use the reserves as re-organisation costs and if this could prevent grants being received for devolution.

The Assistant Director for Resources and Section 151 Officer highlighted that Government had indicated that they would not be funding the proposals for reorganisation. However, local authorities have raised concerns around their financial stress and understood that government may be reviewing their position on this.

The Portfolio Holder for Finance, Councillor Morley commented on transformation and re-organisation and there was some leeway on using reserves for these costs. He added the decision had been made to not spend the reserves.

The Leader, Councillor Beales, commented it was vital to not spend excessively as the timescales were unknown and uncertain. He explained projects were being prioritised and needed to be accelerated before the re-structure.

In response to Councillor Rose, the Assistant Director for Resources and Section 151 Officer explained discussion had been held prior to the budget being set therefore the estimations reflected these discussions at that time.

The Chair, Councillor Long referred to the proposed fees and charges and sought clarification if this was a general increase or a net figure based on demand and price.

The Assistant Director for Resources and Section 151 Officer clarified this was a general increase, but other factors were considered. She explained some fees and charges were not increased, where there was a business case, and others were increased higher as part of the efficiency and income proposals.

In response to Councillor Long's additional question, the Assistant Director for Resources and Section 151 Officer confirmed in 2024/2025 there was £2.8 million in government grants, for 2025/2026, £2.5 million in grants had been budgeted for and for 2026/2027, £1.6 million was budgeted

The Chair, Councillor Long sought clarification on the impact on the Serco contract with the funding from government on national insurance contribution and the wages of employees of Serco.

The Assistant Director for Resources and Section 151 Officer highlighted the compensation from government does not take account of the Council's wage bill. She explained the amount, which was decided, to be given to local authorities was based on an allocation against local authority revenue expenditure rather than wages. She concluded services and contracts being provided was not considered therefore there was an impact on the shortfall.

In response to Councillor Long query special expenses and the King's Lynn Area Committee, the Assistant Director for Resources and Section 151 Officer confirmed the special expenses element was the cost for all the Borough not just the King's Lynn area. She reminded the Panel; the Council subsidises a portion of the special expenses and the council tax calculation was checked to ensure the £5 increase was not being breached.

The Portfolio Holder for Finance, Councillor Morley commented the subsidy of the special expense did not only benefit the residents of King's Lynn but tourists and residents from the rest of the Borough.

RESOLVED: The Joint Panel supports the following recommendations to Cabinet:

Recommendation 1: It is recommended that Council note the revision to the Forecast for 2024/2025 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 8.

Recommendation 3: It is recommended that Council:

- 1) Approves the budget requirement of £26,329,130 and 2025/2026 and note the projections for 2026/2027, 2027/2028 and 2028/2029
- 2) Approve the Fees and Charges 2025/2026 detailed in Appendix 4a and 4b and approves the new Fees and Charges Policy at Appendix 4c
- 3) Approves the Pay Policy at Appendix 5
- 4) Approves the level of Special Expenses for the Town/Parish Councils as detailed in the report (Appendix 7).
- 5) Approves a Band D Council Tax of £152.87 for 2025/2026

Recommendation 4: It is recommended that Council approves a minimum requirement of the General Fund balance for 2025/2026 of £1,316,460 (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 2025/2026.

CABINET REPORT- CAPITAL PROGRAMME AND RESOURCES 2024-2029

[Click here to view a recording of this item on YouTube.](#)

The Assistant Director for Resources and Section 151 Officer presented the report accompanied by a presentation.

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 Chair thanked the Assistant Director for Resources and Section 151 Officer, and the Panel had no questions or comments on the report.

Portfolio Holder for Finance, Councillor Morley highlighted to the Panel, previously the contract management on the capital projects had been considered as the delivery had not met expectations. He explained, with a new appointee in Finance, it was hoped the data would now be up to date and therefore more accurate.

RESOLVED: The Joint Panel supports the following recommendations to Cabinet:

- 1) Cabinet recommends to the Council the amendments to capital schemes and resources for the 2024-2029 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 2024-2029 as detailed (subject to pending approval from SLT).

CABINET REPORT- CAPITAL STRATEGY

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The Assistant Director for Resources and Section 151 Officer presented the report.

The Chair thanked the Assistant Director for Resources and Section 151 Officer for the report. There were no questions from the Panel.

RESOLVED: The Joint Panel supports the following recommendation to Cabinet:

The Cabinet approve the Capital Strategy 2025/2026 as attached to this report.

CABINET REPORT- TREASURY MANAGEMENT STRATEGY

[Click here to view a recording of this item on YouTube.](#)

The Assistant Director for Resources and Section 151 Officer presented the report.

The Chair thanked the Assistant Director for Resources and Section 151 Officer and invited questions and comments from the Panel, a summary of which is set out below.

The Chair, Councillor Long referred to borrowing and lending within Treasury Management and sought clarification if a clause needed to be included to restrict borrowing and lending due to Devolution.

The Assistant Director for Resources and Section 151 confirmed the report only referred to 2025/2026 however there would be consideration of the status of the authority going forward. She reminded the Panel the Treasury Management Strategy could be amended by full Council throughout the year if needed.

In response to Councillor Crofts, the Assistant Director for Resources and Section 151 confirmed the Council were currently borrowing £6.5m from Middlesbrough Teeside Pension Fund (£3.5m payable 7th February 2025 and £3m payable 24th February 2025). She added the Council had £4m invested with South Ayrshire Council until October 25.

RESOLVED: The Joint Panel supports the following recommendation to Cabinet:

Cabinet is asked to recommend the Council approve:

- The Treasury Management Strategy Statement 2025/2026, including treasury indications for 2025-2029
- The Minimum Revenue Provision Policy 2025/2026
- The Investment Strategy 2025/2026