

HARBOROUGH DISTRICT COUNCIL

MINUTES OF THE CABINET MEETING

held at
Council Chamber, The Symington Building, Adam and Eve Street,
Market Harborough, LE16 7AG

16th January 2023

commencing at 5.30pm

Present:

Councillors: Bateman, Dann, Hallam, King (Chair) and Whelband

Officers: E. Bird, C. Bland, R. Chew, L Elliott, S. Hamilton, V. Jessop, C Mason & C.
Pattinson, J. Ward-Langman,

Officers remotely: D. Atkinson and C. Pattinson

INFORMATION EXCHANGE FROM PORTFOLIO HOLDERS

Strategy

Councillor King reported that the UK Shared Prosperity Business Grants fund recently opened for the first round, and closes at the end of January 2023. He also reported that case studies should be available shortly regarding the funding given to small businesses within the district to aid recovery post the pandemic.

Councillor King also advised that he had recently attended meetings with Aviva and Stagecoach to discuss changes and problems with bus services across the district.

TOPICAL ISSUES

There were none.

APOLOGIES FOR ABSENCE

There were none.

DECLARATION OF MEMBERS' INTERESTS

There were none.

MINUTES

RESOLVED that the minutes of the meeting of the Cabinet held on the 5th December 2022 be approved as a correct record.

ELECTRICITY SUPPLY CONTRACT

The Portfolio Holder introduced the report which recommended the awarding of a contract that will secure the Council's electricity supply from October 2024 to September 2028 at the most advantageous price.

Long term commitment to contracts for energy enables the Council to achieve value for money and security of supply. ESPO traders purchase energy up to 18 months in advance and by opting into this purchasing strategy, the Council is likely to achieve significantly better value for money than through alternative procurement arrangements.

In response to a question regarding the environmental implications including contributions to achieving a net zero carbon Council by 2030, it was confirmed that the installation of solar panels on Council buildings would be one example of contributing towards the Council achieving its goal of overall energy efficiency and exploring the use of localised renewable energy.

Following the discussion it was;

RESOLVED that :

- (i) the Council award a contract for electricity supplies commencing October 1st, 2024 to TotalEnergies Gas & Power Ltd. (TotalEnergies) via Eastern Shires Purchasing Organisation (ESPO) Framework Reference 191_24.
- (ii) authority be delegated to the Council Leader, Portfolio holders and Deputy Chief Executive to opt in or out of the 'green tariff' that is available when charges are reviewed on a six-monthly basis.

Reasons for Recommendations

Electricity supplies are essential to the Council's operation and function; the Council has procured its energy requirements through ESPO frameworks for some time, and

this has proved cost-effective. Procurement of a new contract by the same method will ensure supply and is the preferred means of achieving value for money.

DRAFT BUDGET 2023/24 & THE MEDIUM-TERM FINANCIAL STRATEGY (2024/25 TO 2027/28)

The Portfolio Holder introduced the report which set out the Councils Draft 2023/24 Budget and Medium-Term Financial Strategy (2024/25 to 2027/28) (MTFS) in respect of revenue, capital, and reserves.

It was noted that over the past few months all services have been reviewing their service budgets and have generated net savings of £957k for 2023/24 (£4.5m over the MTFS period). Further, on the 19th December the government issued their provisional financial settlement which awarded the Council New Homes Bonus of £1.7m and other grants in excess of £1m. In summary it was noted that the Council has a surplus revenue budget for the first two years of the MTFS (£4.2m), which will be set-aside, to contribute to meeting the forecast deficit budgets of the last three years of the MTFS (£4.5m).

The Portfolio Holder highlighted that the Council has addressed significant inflationary pressures, which have been incorporated into the service budgets. Following the Council decision in December 2022 not to approve the Councils participation in a Strategic Partnership with Melton Borough Council, the budget does not include any savings that were included in the business case.

In February 2022, Council approved the 2022/23 Budget and MTFS and the key points to note were as follows:

- service net expenditure of £11.6m,
- budget requirement of £13.0m,
- Council Tax (Band D) of £177.97, and
- Council Tax Base of 37,389.4

As part of 2021/22 year-end, the 2021/22 Quarter 4 was reported to Cabinet in July and £286k in brought forwards was agreed. In addition, £175k grants were required to be brought forward. This resulted in a 2022/23 Updated Budget with a net expenditure of £12.0m.

The Council has delivered a number of other initiatives over the past year, including: a new Corporate Plan; development of both a Young Persons and Rural Strategies; continued its significant ICT transformation programme; submitted a Round 1 Levelling Up bid; been successful in achieving considerable external government funding (including £2.1m in UK Shared Prosperity Fund); distributed £630k in Jubilee Grants

to celebrate the late HM the Queens Platinum Jubilee; and over the past few months, along with Melton Borough Council the Council had been developing a joint business case to support a strategic partnership between the two Councils.

Following a comprehensive discussion it was;

RESOLVED that :

- A. The following be included in the Draft "Revenue" 2023/24 Budget and MTFS (2024/25 to 2027/28):
 - (i) various service-related budget changes noted in paragraphs 3.5 to 3.11 to the report.
 - (ii) various non-service funding budget changes noted in paragraphs 3.12 to 3.17 to the report.
 - (iii) Council Tax, Business Rates and Collection Fund related budget changes noted in paragraphs 3.18 to 3.23 to the report

This includes an increase in Council Tax for 2023/24 of 2.99% and a notional increase of 2.99% for each year of the MTFS (2024/25 to 2027/28).
- B. Authority be delegated to the Director, Resources, following consultation with the Portfolio Holder for Finance & Assets, to distribute the "Final" Forecast 2022/23 Collection Fund Surplus/(Deficit) to respective Preceptors by the statutory deadline (31st January) as detailed in paragraph 3.24 to the report.
- C. Draft Budget 2023/24 and MTFS (2024/25 to 2027/28) be approved as summarised at Table 4. The detailed service budgets are shown at Appendix 1 and 2, as detailed in paragraphs 3.25 to 3.26 to the report.
- D. Reserves allocations be approved as summarised at Table 5, Appendix 4, as detailed in paragraphs 3.27 to 3.31 to the report.
- E. Capital Programme for 2023/24 and for the MTFS (2024/25 to 2027/28) be approved as shown at Appendix 5, as detailed in paragraphs 3.32 to 3.37 to the report.
- F. Authority be delegated to the Director, Resources, following consultation with the Portfolio Holder for Finance & Assets, in respect of capital projects that are impacted by inflation. The detailed wording of the delegation is shown at paragraph 3.36 to the report.

2. The continuation of the transformation programme and continuous improvement be endorsed, thereby ensuring that the Council remains “Committed to Financial Sustainability & Resilience to enable Community Investment”.

Reasons for Recommendations

To provide the opportunity for consultation on the emerging budget position for 2023/24 and the MTFs, with a focus on the revenue budget, reserve allocations and proposals for the capital programme.

MID-YEAR TREASURY MANAGEMENT REPORT 2022/23 AND PRUDENTIAL INDICATORS

In accordance with the requirements of the Chartered Institute of Public Finance and Accountancy’s (CIPFA) Code of Practice on Treasury Management, the Council is required to receive, as a minimum, three main treasury reports each year – the annual Treasury Management Strategy Statement, a Mid-year Review Report and an Annual Report.

The Portfolio Holder introduced the report thereby ensuring that the Council is implementing best practice in accordance with the Code.

Further information was requested regarding details of the investment institution SMBC, as detailed in Appendix 3 to the report. Post meeting note: SMBC Bank International plc is a wholly owned subsidiary of its Japanese parent company SMBC. It was established in March 2003 as Sumitomo Mitsu Banking Corporation Europe Limited and changed its name in 2020 to SMBC Bank International plc.

RESOLVED that :

- (i) the Mid-Year Treasury Management Report for 2022/23 and treasury activity be noted.
- (ii) the Prudential Indicators be noted.

Reasons for Recommendations

The regulatory environment places responsibility on Members for the review and scrutiny of treasury management policy and activities.

ANNUAL TREASURY MANAGEMENT REPORT 2021/22 AND PRUDENTIAL INDICATORS

The Portfolio Holder introduced the report highlighting that the Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2021/22. He advise that this report meets the requirements of both the CIPFA Code of Practice on Treasury Management, (the Code), and the CIPFA Prudential Code for Capital Finance in Local Authorities, (the Prudential Code).

RESOLVED that :

- (i) the Annual Treasury Management Report for 2021/22 be noted.
- (ii) the Prudential Indicators for 2021/22 be noted.

Reasons for Recommendations

The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities.

HOUSING ENFORCEMENT POLICIES AND FINANCIAL PENALTIES

The Portfolio Holder introduced the report which outlined the Council's approach to housing enforcement to ensure that there is transparency for owners, landlords, agents and tenants of private sector and social housing properties through the Housing Enforcement Policy and more specific enforcement powers including the introduction of civil penalties for certain housing offences.

Following a discussion it was;

RESOLVED that :

- (i) subject to consultation identifying no significant impacts upon a draft policy, the following draft policies be approved :-
 - a) The Housing Enforcement Policy (appendix A)
 - b) The Housing Enforcement Civil Penalties Policy (appendix B)
 - c) The Minimum Energy Efficiency Standards Policy (appendix C)
 - d) The Smoke and Carbon Monoxide Policy (appendix D).
- (ii) any draft policy be reconsidered which is the subject of a representation that has a significant impact upon the proposed policy.

- (iii) authority be delegated to the Director of Governance and Law the authority to incorporate minor amendments required following consultation into the policies, in consultation with the Cabinet Member for Communities Wellbeing and Housing.

Reasons for Recommendations

Local Housing Authorities (“LHA”) are the primary enforcement agency for ensuring the protection of the health, safety and welfare rights for occupiers and visitors in private sector housing within England and Wales.

The housing enforcement policy sets out the general approach of Harborough District Council (“the council”) to private sector housing enforcement and it sets out what owners, landlords, their agents and tenants of private sector properties can expect from officers.

The introduction of civil penalties or financial penalties provides officers with a different tool to deal with non-compliant landlords and can be used as an alternative to prosecution. The council must have approved and published policies before they can issue financial penalties.

CORE BUSINESS SYSTEMS SOFTWARE

The Portfolio Holder introduced the report which proposed the awarding of a contract that would provide business critical software supporting the day to day functioning of the Council.

RESOLVED that the contract to supply hosted software including Uniform, Document Management System, Public Access & Total Land Charges for a period of 4 years, with a 2 year extension if required, be awarded to Idox Software Ltd.

Reasons for Recommendations

Robust and integrated software packages are essential for the day to day running of a wide variety of services across the Council. A review of the Council requirements and possible solutions in the market took place in Q4 2021. It identified that limited alternatives to the Idox products are available, especially when investigating solutions that fit with the ICT Strategy Principles.

All options for the future provision of integrated software solutions were comprehensively assessed in an outline business case prepared in March 2022. The

business case had regard to the cost of moving to an alternative solution, the functionality required across multiple Service Areas and the key dependencies required for the ICT Transformation Programme. It was concluded that the Idox software solution was the most appropriate for the Council.

TO CONSIDER ANY MATTERS OF SPECIAL URGENCY

There were none.

The meeting ended at 6.26 pm