EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 22 NOVEMBER 2021

EX.127/21 BUDGET PROCESS 2022/23 - 2026/27

The Deputy Leader introduced Agenda item A.1 which constituted the official start of the 2022/23 Budget process. The reports under consideration by the Executive today would proceed to Scrutiny, and come back before the Executive, prior to submission to the Special Council meeting scheduled to take place on 1 February 2022.

EX.128/21 BUDGET UPDATE - REVENUE ESTIMATES 2022/23 TO 2026/27
(Key Decision KD.10/21)

Portfolio Finance, Governance and Resources

Relevant Scrutiny Panel
Health and Wellbeing; Economic Growth; Business and Transformation

Subject Matter

The Deputy Leader submitted report RD.46/21 providing a summary of the Council's revised revenue base estimates for 2021/22, together with base estimates for 2022/23 and forecasts up to 2026/27 for illustrative purposes. The base estimates had been prepared in accordance with the guiding principles for the formulation of the budget over the next five-year planning period as set out in the Medium Term Financial Plan (MTFP) and Charging Policy; Capital Strategy; and Asset Management Plan approved by Council on 14 September 2021.

The report set out known revisions to the MTFP projections, although there were a number of significant factors affecting the budget that were currently unresolved and which would be considered as the budget process progressed (paragraph 1.3 referred).

Details of the outstanding key issues and resource assumptions were set out at Section 4 and details of the income and budget monitoring shortfalls were documented at paragraph 5.7. Section 8 of the report set out the funding requirements for the Local Government Reorganisation.

The Deputy Leader concluded by moving the recommendations as detailed within the report. The Leader seconded them.

Summary of options rejected none

DECISION

That the Executive:
1. Noted the revised base estimates for 2021/22 and base estimates for 2022/23.
2. Noted the current Medium Term Financial Plan projections, which would continue to be updated throughout the budget process as key issues became clearer and decisions were taken.
3. Noted the initial budget pressures, bids and savings which needed to be taken into account as part of the 2022/23 budget process.
4. Noted the review of the earmarked reserves as outlined in paragraph 9 and Appendix F to Report RD.46/21.

Reasons for Decision

To note the Revenue Base Estimates; updated Medium Term Financial Plan projections and budget pressures / savings for consideration as part of the 2022/23 budget process

EX.129/21 REVIEW OF CHARGES 2022/23 - COMMUNITY SERVICES
(Key Decision KD.10/21)

Portfolio Environment and Transport; Culture, Heritage and Leisure

Relevant Scrutiny Panel

Economic Growth; Health and Wellbeing; Business and Transformation

Subject Matter

The Deputy Leader submitted report CS.37/21 setting out the proposed fees and charges for 2022/23 relating to those services falling within the Community Services Directorate. The report proposed a varied approach to the charges for the use of the city centre. To encourage the use of commercial pitches, pavement cafes and Farmers Markets it was proposed to maintain the rates at the current rate and the remainder of charges would increase by 3%. It was also proposed that 10p be added to all tariffs across all car parks and an increase of 10p per day to permit prices.

Details of the other proposed charges in relation to City Centre usage by external organisations; events; digital banner; Old Fire Station; allotments; use of parks; sports pitches; Talkin Tarn; Bereavement Services; Waste Services and Garage charges were also provided.

The original 2021/22 budgets and 2022/23 forecast income levels based upon the current charge structure and forecast volume were as detailed in the table in section 11 of the report. The charges highlighted within the report would result in an anticipated level of income of £2,810,500 against the MTFP target of £3,196,200. That represented a shortfall of £385,700 against the MTFP target.

The Deputy Leader moved and the Leader seconded the recommendations.

Summary of options rejected none

DECISION

That the Executive:
1. Had reviewed the proposed charges as set out in the body of Report CS.37/21 and relevant appendices with effect from 1 April 2022, noting the impact those would have on income generation as detailed within the report.
2. Made the report of proposed charges available to relevant Scrutiny Panels for their review and comment.

Reasons for Decision

To ensure that the City Council's Corporate Charging Policy is complied with.

EX.130/21 REVIEW OF CHARGES 2022/23 - ECONOMIC DEVELOPMENT
(Key Decision KD.10/21)

Portfolio Economy, Enterprise and Housing

Relevant Scrutiny Panel

Economic Growth; Business and Transformation

Subject Matter

The Deputy Leader submitted report ED.39/21 setting out the proposed fees and charges for areas falling within the responsibility of the Economic Development Directorate.

The proposed charges in relation to Planning Services included Development Control income; Building Control income; Building Control Discretionary Charges; Shop Mobility and Investment and Policy Income.

Acceptance of the charges highlighted within the report would result in an anticipated level of income of £656,000 against the Medium Term Financial Plan target of £656,000.

The Deputy Leader then moved the recommendation, which was seconded by the Leader.

Summary of options rejected none

DECISION

That the Executive agreed the charges, for consultation, as set out in Report ED.39/21 and accompanying Appendices, with effect from 1 April 2022; noting the impact those would have on income generation as detailed within the report.

Reasons for Decision

To ensure that the City Council's Corporate Charging Policy is complied with.

EX.131/21 REVIEW OF CHARGES 2022/23 - GOVERNANCE AND REGULATORY SERVICES
(Key Decision KD.10/21)

Portfolio Cross Cutting

Relevant Scrutiny Panel

Health and Wellbeing; Business and Transformation

Subject Matter

The Deputy Leader submitted report GD.55/21 concerning the proposed fees and charges for areas falling within the responsibility of the Governance and Regulatory Services Directorate.

The report set out the proposed charges relative to Environmental Health and Housing; Homeless, Prevention and Accommodation Services; and Legal Services.

The introduction of the proposed charges was forecast to generate income of £802,800 in 2022/23 as summarised in the table at paragraph 5.11.1 of the report.

The Deputy Leader then moved the report, it was seconded by the Leader.

Summary of options rejected none

DECISION

That the Executive agreed for consultation the charges as detailed within Report GD.55/21 and accompanying Appendices, with effect from 1 April 2022; noting the impact those would have on income generation as detailed within the report.

Reasons for Decision

To ensure that the City Council's Corporate Charging Policy is complied with

EX.132/21 REVIEW OF CHARGES 2022/23 - LICENSING
(Key Decision KD.10/21)

Portfolio Finance, Governance and Resources

Relevant Scrutiny Panel Business and Transformation

Subject Matter

The Deputy Leader submitted report GD.82/21 setting out the proposed fees and charges for areas falling within the responsibility of the Licensing Section of the Governance and Regulatory Services Directorate. The Regulatory Panel had responsibility for determining the licence fees, with the exception of those under the Scrap Metal Dealers Act 2013, which fell to the Executive.

The Deputy Leader then moved that the Executive note the charges which had been considered by the Regulatory Panel on 27 October 2021. The fees under the Scrap Metal Dealers Act 2013 fell to the Executive for approval and were included in appendix A of the report. The Leader seconded the recommendation.

Summary of options rejected none

DECISION

That the Executive:
1. Noted the charges which were considered by the Regulatory Panel on 27 October 2021.
2. Approved the charges, for consultation, under the Scrap metal Dealers Act 2013 with effect from 1 April 2022.

Reasons for Decision

To ensure that the City Council's Corporate Charging Policy is complied with and sufficient income is generated to cover the costs associated with administering and enforcing the Council's statutory licensing function.

EX.133/21 REVISED CAPITAL PROGRAMME 2021/22 AND PROVISIONAL CAPITAL PROGRAMME 2022/23 TO 2026/27
(Key Decision KD.10/21)

Portfolio Finance, Governance and Resources

Relevant Scrutiny Panel

Economic Growth; Health and Wellbeing; Business and Transformation

Subject Matter

The Deputy Leader submitted report RD.47/21 detailing the revised Capital Programme for 2021/22, now totalling £29,917,200, together with the proposed method of financing. The summary of the revised programme for 2021/22 showed a potential borrowing requirement in the sum of £28,794,905.

Also summarised was the proposed programme for 2022/23 to 2026/27 in the light of the new capital proposals identified, together with the estimated capital resources available to fund the programme.

The Deputy Leader concluded his presentation by moving the recommendations as detailed within the Corporate Director's report. The Leader seconded the recommendation.

Summary of options rejected none

DECISION

That the Executive:
1. Noted the revised capital programme and relevant financing for 2021/22 as set out in Appendices A and B to Report RD.47/21 including approval of the reduction of £1,894,800 to the 2021/22 capital programme;
2. Had given initial consideration and views on the proposed capital spending for 2022/23 to 2026/27 given in the report in the light of the estimated available resources;
3. Noted that any capital scheme for which funding had been approved by Council may only proceed after a full report, including business case and financial appraisal, had been approved.

Reasons for Decision

To note the details of the revised Capital Programme and relevant financing and make arrangements for the new capital bids to be considered as part of the 2022/23 budget process

EX.134/21 CORPORATE ASSETS - 3 YEAR REPAIR AND MAINTENANCE PROGRAMME 2022/23 TO 2024/25
(Key Decision KD.10/21)

Portfolio Finance, Governance and Resources

Relevant Scrutiny Panel Business and Transformation

Subject Matter

The Deputy Leader submitted report GD.79/21 setting out the repair and maintenance programme budget proposals for the Council's Corporate Property assets for the three year period 2022/23 to 2024/25, required to ensure that the legal responsibilities of the City Council were met.

Local authorities had a duty to manage their property assets, particularly operational assets, in a safe and efficient manner which contributed to the quality of service delivery. The maintenance strategy was fully integrated with the Asset Management Plan and environmental policy. In addition, the Council followed good practice by, where practical, allocating its budget 70% planned maintenance and 30% reactive maintenance.

The report indicated that the proposed 2022/23 revenue maintenance budget amounted to approximately £782,200 spread across a wide range of assets; and that the Council had a capitalised major repairs programme with a provision of £250,000 included in the Capital Programme. The total outstanding maintenance figure on the operational buildings, based on a costed 5 year plan derived from the Condition Surveys, currently stood at just under £2,164,000. That figure omitted the outstanding maintenance works at the Pools due to the impending closure of the facility, however, it was anticipated that the total maintenance figure would rise once costs associated with the Victorian Health Suite and the Sands sports hall roof were known.

Turning to the issue of planned maintenance, the report recorded that the projects detailed at Section 2 reflected the highest priority projects to be funded from capital. The Council had submitted a bid for Public Sector Decarbonisation Scheme funding. The bid totalled £2.1million and if successful would allow energy efficiency improvements to be undertaken to a number of the Council's operational assets.

The Deputy Leader concluded by moving the recommendations set out in the report. The Leader seconded the recommendation.

Summary of options rejected none

DECISION

That the Executive approved:
1. The three-year revenue maintenance programme set out in Appendix A to Report GD.79/21 as part of the budget process.
2. The 2022/23 capital budget of £250,000 and the associated list of capital projects selected to meet the allocated budget.

Reasons for Decision

The Council's property assets require regular repair and maintenance to ensure they provide a safe working environment for their users and occupiers. The recommendations outlined ensured that Council assets were maintained to a standard that supported service provision and ensured the safety and comfort of their users and occupiers.

EX.135/21 TREASURY MANAGEMENT QUARTER 2 2021/22 AND FORECASTS FOR 2022/23 TO 2026/27
(Key Decision KD.10/21)

Portfolio Finance, Governance and Resources

Relevant Scrutiny Panel Business and Transformation

Subject Matter

The Deputy Leader submitted report RD.49/21 providing the regular quarterly report on Treasury Transactions, together with an interim report on Treasury Management as required under the Financial Procedure Rules. The report also discussed the City Council's Treasury Management estimates for 2022/23 with projections to 2026/27 and set out information regarding the requirements of the Prudential Code on local authority capital finance.

Treasury Management projections were reviewed annually to ensure that current interest rate forecasts were updated, and that current and future spending implications were built into the cash flow forecasts model. Average cash balances would need to be amended to reflect revised forecasts for anticipated capital receipts, capital expenditure and use of revenue reserves and that would adjust the final pressure/saving requirement from treasury management. The draft base Treasury Management estimates for 2022/23 with projections for 2026/27 were set out at Appendix C.

The Deputy Leader concluded by moving the recommendation set out in the report. The Leader seconded the recommendation.

Summary of options rejected none

DECISION

That Report RD.49/21 be received and the projections for 2022/23 to 2026/27 be incorporated into the Budget reports considered elsewhere on the Agenda.

Reasons for Decision

To receive the report on Treasury Management and refer it as part of the budget process.

EX.136/21 LOCAL TAXATION 2022/23 - 2026/27
(Key Decision KD.10/21)

Portfolio Finance, Governance and Resources

Relevant Scrutiny Panel Business and Transformation

Subject Matter

The Deputy Leader submitted report RD.48/21 considering aspects of Local Taxation decisions which needed to be made as part of the Budget process for 2022/23 onwards.

Set out within the report were the various considerations, including the levels of Council Tax for the City Council (including Parish Precepts), Council Tax Surplus calculations, Council Tax Base calculations, Local Support for Council Tax including War Widows Pension Disregard, and Business Rate Retention (including Pooling arrangements). A summary of the assumptions made was also provided at Section 4.

The Deputy Leader moved, and the Leader seconded, the recommendations.

Summary of options rejected none

DECISION

That the Executive:
1. Noted the contents of Report RD.48/21 including the current assumptions built into the MTFP with regard to local taxation issues;
2. Approved, for recommendation to Council as part of the budget process, the 2022/23 Local Support for Council Tax scheme as set out in paragraph 2.4, and the War Pensions Voluntary Disregard as set out in paragraph 2.5;
3. Approved the continuation of involvement in the Cumbria Business Rate Pool arrangements for 2022/23, subject to the continuing involvement of the other partners with the final decision on participation being delegated to the Corporate Director of Finance and Resources.

Reasons for Decision

To make recommendations on aspects of Local Taxation decisions required to be made as part of the 2022/23 Budget process.

Executive

Date: Monday, 13 December 2021 **Time:** 16:03

Venue: Cathedral Room

Present: Councillor Gareth Ellis, Councillor Stephen Higgs, Councillor Mrs Elizabeth Mallinson, Councillor John Mallinson, Councillor Paul Nedved

Also Present: Chair of the Business and Transformation Scrutiny Panel

Officers: Town Clerk and Chief Executive
Corporate Director of Governance and Regulatory Services
Corporate Director of Finance and Resources
Corporate Director of Economic Development

EX.144/21 APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillor Nigel Christian and the Deputy Chief Executive.

EX.145/21 DECLARATIONS OF INTEREST

There were no declarations of interest submitted.

EX.146/21 PUBLIC AND PRESS

RESOLVED – That the Agenda be agreed as circulated.

EX.147/21 BUDGET 2022/23 – FEEDBACK FROM THE SCRUTINY PANELS ON THE DRAFT BUDGET REPORTS

(Key Decision KD.10/21)

Portfolio: Finance, Governance and Resources

Relevant Scrutiny Panel:

Health and Wellbeing; Economic Growth; Business and Transformation

Subject Matter:

The Deputy Leader indicated that the Scrutiny Panels had scrutinised the draft Budget Reports for 2022/23 considered by the Executive on 22 November 2021.

The Executive considered the feedback from the Scrutiny Panel, as detailed within the Panel meeting as follows, copies of which were submitted:

(a) Health and Wellbeing - 25 November 2021 (HWSP.77/21)

The Deputy Leader reported that there were no recommendations from the Panel.

The Chair of the Health and Wellbeing Scrutiny Panel had been invited to speak but was not in attendance today.

(b) Economic Growth - 2 December 2021 (EGSP.77/21)

The Deputy Leader stated that, having scrutinised the Charges Review Report 2022/23 Community Services, the Panel had requested that the Executive consider freezing the first hour of the car parking fees for all council owned car parks along with a review of the Talkin Tarn parking permit policy.

The Vice Chair of the Economic Growth Scrutiny Panel had been invited to address the Executive but was not present at the meeting.

The Deputy Leader reported that the Executive would explore the recommendation from the Scrutiny Panel and hoped to incorporate the proposal into the budget.

(c) Business and Transformation Scrutiny Panel - 7 December 2021 (BTSP.90/21)

The Chair of the Business and Transformation Scrutiny Panel began by expressing the Panel's thanks to officers for producing the budget documentation. He stated that the Panel had endorsed the Economic Growth Scrutiny Panel's recommendation to freeze the car parking charges for the first hour of use and the review of the Talkin Tarn permit policy. The Panel had also recommended to the Executive that the City Council freeze their portion of the Council Tax for 2022/23.

The Deputy Leader thanked the Chair of the Business and Transformation Scrutiny Panel for the recommendations and stated that the Executive would incorporate the proposed freeze on the Council's portion of the Council Tax into the budget if it was possible.

Summary of options rejected None

DECISION

That the Scrutiny Panels be thanked for their scrutiny of the draft Budget reports; and their comments / recommendations, as detailed within the Minutes submitted, be taken into consideration as part of the Executive's deliberations on the 2022/23 Budget.

Reasons for Decision

The views of the Scrutiny Panels be taken into consideration as part of the 2022/23 Budget process.

The Meeting ended at: 16:06