



Rutland County Council

Catmose Oakham Rutland LE15 6HP.
Telephone 01572 722577 Facsimile 01572 75307 DX28340 Oakham

RECORD OF DECISIONS AT A MEETING OF THE CABINET

Tuesday, 14th February, 2017 at 9.30 am

Decisions Published on Thursday 16 February 2017

Decisions will be implemented on Friday 24 February 2017 unless the Call-in Procedure as outlined in Procedure Rule 206 is invoked.

PRESENT: Mr T Mathias
Mr R Clifton
Mr R Foster
Mr O Hemsley
Mr A Walters
Mr D Wilby

OFFICERS PRESENT:

Mrs H Briggs	Chief Executive
Mr D Brown	Director for Places
Mr S Della Rocca	Assistant Director – Finance
Mrs D Mogg	Director for Resources
Dr T O'Neill	Director for People and Deputy Chief Executive
Mr P Phillipson	Director for Places
Ms N Brown	Acting Manager – Corporate Support team

577 ANNOUNCEMENTS FROM THE CHAIRMAN AND/OR HEAD OF THE PAID SERVICE

There were no announcements from the Chairman or Head of Paid Service.

578 DECLARATIONS OF INTEREST

No declarations of interest were received.

579 RECORD OF DECISIONS

The Record of Decisions made by the Cabinet on 17 January 2017, copies of which had been previously circulated were confirmed by Cabinet.

580 ITEMS RAISED BY SCRUTINY

The Chairman had not been formally notified of any items raised by Scrutiny.

581 REVENUE AND CAPITAL BUDGET 2017/18 AND MEDIUM TERM FINANCIAL PLAN

(KEY DECISION)

Report No. 44/2017 from the Director for Resources was received.

Mr Mathias, Leader of the Council, introduced the report, the purpose of which was to recommend to Council the final budget for 2017/18 and the Medium Term Financial Plan.

Mr Mathias confirmed that this report had been looked at in draft format by Cabinet on 10 January 2017, it had also been presented to all Scrutiny Panels at joint meetings held on 18 January 2017, as well as being the subject of public consultation. A presentation had also been delivered to the Parish Council Forum and the Rutland Annual Business Summit. Scrutiny had asked for areas of clarification, but had not put forward any changes. Questions had also been asked by members of the public and the main theme coming forward from the public was that there is an understanding of the current financial position, but the perception is that Rutland County Council is not low cost. It had been confirmed that Rutland was, however, the third lowest cost Authority out of all Unitary Authorities in the United Kingdom and this should be publicised.

During discussion the following points were raised:

- i. Members of the public did not see Rutland as low cost based on consultation feedback. Rutland is low cost per head of population across the services it provides and it was acknowledged that more could be done to publicise this. It was also noted that Rutland does have high Council Tax and low levels of funding from Government. Members thought it would be useful if all of these factors could be presented in a way to get across some key messages;
- ii. The Leader explained that some changes had been made to the budget and these were detailed in Appendix 11 of Report 44/2017– most were the result of additional funding being received;;
- iii. The Cabinet recommendation would be to raise Council Tax by 3.99%, including a 2% precept for Adult Social Care rather than the 3% allowed. Whilst the Council is experiencing cost pressures in adult social care, the 2% was deemed sufficient to cover the associated costs. Members acknowledged that it was important not to raise a precept for any more than would be necessary to meet demand and at present there was no evidence of a surge in demand for Adult Social Care. Should an increased in demand occur in year, reserves could be used to supplement the budget for Adult Social Care;
- iv. It was noted that those working in Adult Social Care are doing well to manage demand and keep costs low, whilst maintaining high standards. In particular, delays in hospital discharges had been significantly reduced, 91% of people receiving reablement care after being discharged from hospital were staying at home and not being re-admitted; and less people were going in to permanent residential care;
- v. The actual impact of the Council Tax increase on a Band D property would be just under £60 but this would clearly still have an impact on those in low income

- families, or families which relied on benefits that had been capped. The Council provided a Local Council Tax Support Scheme to assist those in difficulty and this was publicised in literature sent out with Council Tax Bills and through the Citizens Advice Bureau. Those receiving benefit would therefore only pay 25% of the increase;
- vi. The Government had not yet announced the final settlement figures and so the funding detailed within Report 44/2017 could be subject to change. Whilst significant changes are unlikely Cabinet agreed that an additional recommendation should be added to allow for any further announcements regarding funding received before the final approval of the Report at Council on Monday 20 February 2017, to be reflected in the final budget for 2017/18 and allow the Assistant Director for Finance and the Chief Executive, in consultation with The Leader of the Council, to make adjustments as necessary to reflect these announcements up to a maximum amount (See Recommendation 2) below);
 - vii. Any further changes in funding received from Government in year (after the Budget had been approved) could still be dealt with by adjustment to Budgets in year at the Quarterly reporting stages;
 - viii. Should Council decide that they are not in a position to approve Council Tax on 20 February 2017, the decision could be deferred, but the latest date that Council Tax could be set was 11 March 2017 and an additional Council meeting would have to be convened in order to do this. This would have an impact on the timetable for issuing council tax bills, and would affect the date of the first payment instalment.

DECISION

1) Cabinet RECOMMENDED TO COUNCIL that it:

- i. approves the revenue budget for 2017/18 shown in summary at Appendix 1, Section 3 and in detail at Appendices 3, 4 and 5
- ii. approves that the minimum level of general reserves remains at £2m over the period of the medium term financial plan
- iii. approves a council tax increase of 3.99% including a 2% social care precept
- iv. approves the capital programme as detailed in Section 4 of Appendix 1
- v. notes the Medium Term Financial Plan at Appendix 2 and underlying assumptions
- vi. increases the ceiling on the social care earmarked reserve to £1m and authorises the Assistant Director – Finance to top up the reserve to £1m as part of the 16/17 outturn
- vii. creates a new “pressures” earmarked reserve with a ceiling of £1m as per Appendix 1 para 2.7.8, and authorises the Assistant Director – Finance to put an initial contribution of £500k that reserve as part of the 16/17 outturn
- viii. notes that additional revenue or capital expenditure may be incurred in 2017/18 funded through 2016/17 budget under spends to be carried forward via earmarked reserves. The use of reserves for budget carry

forwards is not currently shown in the budget but will have no impact on the General Fund

- ix. approves a collection fund surplus of £196,000 for distribution of which £170,000 is the Rutland share
- x. notes that the Council is being asked separately to approve the Treasury Management Strategy, but that any implications from it are already covered in the final budget

- 2) Cabinet **DELEGATED** authority to the Assistant Director for Finance and the Chief Executive in consultation with the Leader of the Council, to make adjustments to the Capital Budget 2017/18 and Medium Term Financial Plan in order to reflect the Government Financial Settlement up to a maximum adjustment of £250,000. Any adjustment would be reflected in the Cabinet Recommendations to be approved by Council on 20 February 2017.

Reason for Decisions

The Council is required to set a balanced budget and agree the level of Council tax for 2017/18 and the budget is affordable within the context of the MTFP and will allow the Council to meet service aims and objectives for the coming year.

The additional recommendation to delegate authority to make adjustments to the final Budget arises from the delay in the Government announcement of the Financial Settlement which details funding for the Council.

582 TREASURY MANAGEMENT STRATEGY 2017/18

(KEY DECISION)

Report No. 41/2017 from the Director for Resources was received.

The Leader of the Council, Mr Mathias, introduced the report, the purpose of which was to sets out the expected treasury operations for 2017/18 to 2019/20 in accordance with the legislative requirements detailed in the report.

DECISION

Cabinet **RECOMMENDED TO COUNCIL** that it approve the Treasury Management Strategy in Appendix 1 (Report No. 41/2017), including the Investment Strategy, Borrowing strategy, Minimum Revenue Provision statement and Capital Expenditure Prudential indicators.

Reason for the Decision

The Council is required to approve a Treasury Management Strategy.

The Investment interest rates remain constantly low in the short term and in order to maximise the returns available, various changes have been recommended.

The Council is not planning to take on new borrowing or repay existing borrowing.

583 EXCLUSION OF THE PRESS AND PUBLIC

Cabinet is recommended to determine whether the public and press be excluded from the meeting in accordance with Section 100(A)(4) of the Local Government Act 1972, as amended, and in accordance with the Access to Information provisions of Procedure Rule 239, as the following item of business is likely to involve the disclosure of exempt information as defined in Paragraph 2 of Part 1 of Schedule 12A of the Act.

Paragraph 2: Information which is likely to reveal the identity of an individual.

Cabinet **AGREED** to remain in public session unless detailed discussion was held on the exempt information at which point the meeting would move into exempt session.

584 WRITE-OFF OF IRRECOVERABLE DEBTS 2016/17

Report No. 14/2017 from the Director for Resources was received.

The Leader of the Council, Mr Mathias, introduced the report, the purpose of which was to seek approval to write off debts, over the value of £2,500, where officers believe that there is little or no prospect of recovering them.

During discussion the following points were raised:

- i. Write-off on both Council Tax and Business rates was the lowest it had been for some years, which was a very positive position;
- ii. A new Management system for Revenue and Benefits would reduce the occurrences of overpayment of housing benefit; and
- iii. The Portfolio Holder for Safeguarding Children and Young People, Mr Foster, requested that the Director for People and the Director for Resources look to review the circumstances of a family that found themselves in prolonged and severe financial difficulty to see if any resolution and/or assistance could be provided.

DECISION

Cabinet:

- 1) **NOTED** the action taken by the Resources Directorate to recover outstanding debts; and
- 2) **APPROVED** the write off of the debts shown in Exempt Appendix A (Report No. 14/2017).

Reason for the Decisions

There is no prospect of collecting the debts detailed in Appendix A; it is therefore prudent to write off the debts.

585 ANY ITEMS OF URGENT BUSINESS

No items of urgent business had previously been notified to the Chairman.

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The Chairman declared the meeting closed at 10.15 am.

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