



Rutland County Council

Catmose Oakham Rutland LE15 6HP

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Minutes of a **MEETING of the CABINET** held in the Council Chamber, Catmose, Oakham, Rutland, LE15 6HP on Thursday, 12th January 2023 at 10:00am

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PRESENT:	Councillor L Stephenson (Chair)	Councillor R Powell (Vice-Chair)
	Councillor S Harvey	Councillor M Oxley
	Councillor K Payne	Councillor D Wilby
OFFICERS PRESENT:	Saverio Della Rocca	Strategic Director for Resources
	Dawn Godfrey	Strategic Director of Children's Services
	Penny Sharp	Strategic Director for Places
	John Morley	Strategic Director for Adults and Health
	Angela Wakefield	Director of Legal & Governance, (Monitoring Officer)
	David Ebbage	Governance Officer

1 APOLOGIES FOR ABSENCE

There were no apologies from Members although apologies were received from the Chief Executive, Mark Andrews.

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

There were no announcements made.

3 DECLARATIONS OF INTEREST

There were no declarations of interest.

4 MINUTES

Consideration was given to the record of decisions made following the meeting of Cabinet on 13 December.

RESOLVED

- a) That the record of decisions made at the meeting of the Cabinet held on 13 December 2022 be **APPROVED**.

5 ITEMS RAISED BY SCRUTINY

No items received.

6 RECOMMISSIONING OF PUBLIC HEALTH FUNDED SEXUAL HEALTH SERVICES

Report No.06/2023 was introduced by Councillor Samantha Harvey, Portfolio Holder for Health, Wellbeing and Adult Care.

The report informed Members of the current situation with sexual health services and the work to date to inform on future commissioning.

The Council commissioned services with Leicester City, as well as Leicestershire, and Rutland. This had meant services were centred in the City, part of the issues that came out of the consultation was the difficulty for Rutland residents accessing face to face services and through Covid, the online model of services had increased. It was therefore the preferred option that the Council went forward just dealing with Leicestershire which would give residents a better service.

It was confirmed to Members that if there was to be an uplift to the Agenda for Change salary, it would be funded through the Public Health budget.

The Leader was pleased to read that the report focussed on what was best for Rutland and that it met the needs for residents.

It was proposed by Councillor S Harvey that the recommendations of report No. 06/2023 be agreed, this was seconded and upon being put to the vote the motion was unanimously agreed.

RESOLVED

That Cabinet:

- a) **APPROVED** the preferred option to recommission service in conjunction with Leicestershire County Council.
- b) **APPROVED** the model for consultation as detailed in this report.
- c) **APPROVED** commencement of public consultation on the future sexual health services in Rutland and Leicestershire.
- d) **AGREED** to receive further reports on the outcome of the consultation and presenting the final model and procure process this was likely to be in April or May of 2023.

7 RUTLAND LOCAL PLAN - UPDATE AND ISSUES & OPTIONS CONSULTATION OUTPUTS

Report No.07/2023 was introduced by Councillor Rosemary Powell, Portfolio Holder for Planning, Highways and Transport.

The report asked for Cabinet's approval to the timetable for the production of the Local Plan and advised Cabinet of the outcome of the public consultation undertaken on the Local Plan Issues and Options report as well as providing an update on the budget provision.

Some minor changes were proposed for the Local Development Scheme which in effect would delay the next stage of public consultation (the “Preferred Options” Local Plan) for approximately 3 months. These changes reflected the delay in starting and the extension of the consultation period on the Issues and Options, took account of purdah, and the potential requirement to brief newly elected members following Local Government elections in May 2023.

The Portfolio Holder also pointed out to Members the responses to the Issues and Options public consultation. The Council received 229 respondents and over 3,000 questions answered including 14 parish councils and 6 neighbourhood plan groups. Councillor Powell thanked everybody who took the time and effort to respond to that consultation.

Councillor Powell informed Members that the current forecast for the production of the new Local Plan was £1.101m, which identified a projected overspend of £118k against budget. This was due to commissioning additional evidence on renewable energy not envisaged when the decision was made to prepare a new plan and costs for commissioned evidence being above the mid-range position provided to Council in September 2021.

The budget for the making of a new local Plan for the County together with the funding for the expected pressure of operating without a local plan would be reviewed on a regular basis as part of budget monitoring. As the current reserve was not sufficient to cover expected costs, then it was possible that a further transfer from the General Fund will be required.

In the short term, it was planned that a further £300k will be put into the reserve as part of 23/24 budget setting which will give time for the further review to take place.

Councillor Payne wanted to raise her concerns on the ever increasing budget for the plan and any further delays would increase the budget again. Councillor Payne looked forward to the due diligence being undertaken and the results of that.

Councillor Powell accepted Councillor Payne’s comments and assured Cabinet that she would keep a close eye on the situation.

It was proposed by Councillor R Powell that the recommendations of report No. 07/2023 be agreed, this was seconded and upon being put to the vote the motion was unanimously agreed.

RESOLVED

That Cabinet:

- a) **APPROVED** the revised timetable for the preparation of the Local Plan, to be incorporated into the Local Development Scheme, as set out in Appendix 1 to this report.
- b) **NOTED** the summary outcome of the Local Plan Issues and Options public consultation.
- c) **NOTED** the position on the budget and the action required.

8 TREASURY MANAGEMENT STRATEGY AND CAPITAL INVESTMENT STRATEGY

Report No.01/2023 was introduced by Councillor Karen Payne, Portfolio Holder for Finance, Governance and Performance, Change and Transformation.

The report informed Members of the statutory reports expected in relation to treasury and capital investment operations for 2023/24, linked to the Council's Budget, Medium Term Financial Plan and Capital Programme.

Councillor Payne highlighted that the Council's activity had been conservative. The Strategy does not allow for commercial investments. The Council had no desire to borrow considering the financial position the Council is in unless there were revenue benefits, and we place investment security above yield. This approach had served the Council well and would continue.

The Capital Investment Strategy was intended to bring together the different plans and strategies of the whole organisation and set out the long-term planning and investment required to deliver the Corporate Strategy outcomes.

The Council's current investment plans tended to be short range (span 2-3 years only). Cabinet had also made some provisional priorities for funds held. The Council would build on this work and be in a position to develop a longer term investment programme covering say the next 10 years aligned with its work on a new Local Plan.

The Leader was reassured to the conservative approach to the Council's finances and felt it was an excellent report.

It was proposed by Councillor K Payne that the recommendations of report No. 01/2023 be agreed, this was seconded and upon being put to the vote the motion was unanimously agreed.

RESOLVED

That Cabinet **RECOMMENDED** to Council to approve:

- a) the Treasury Management Strategy in Appendix 1 including the Investment Strategy, Borrowing strategy, Minimum Revenue Provision statement and Capital Expenditure Prudential indicators.
- b) the Capital Investment Strategy in Appendix 2

9 DRAFT REVENUE AND CAPITAL BUDGET 2023/24

Report No.02/2023 was introduced by Councillor Karen Payne, Portfolio Holder for Finance, Governance and Performance, Change and Transformation.

The Council was required to set a balanced budget and agree the level of Council Tax for 2023/24 in the context of its Medium Term Financial Plan. This report presented the draft budget of £46.549m for consultation. The final budget would be approved at Full Council in late February.

Councillor Payne highlighted to Members that for the Council to be financially stable, council tax would need to be raised, savings would need to be made and reserves to be used to balance the books. The proposed budget fulfilled those outcomes.

Service savings of £1.8m would be made and planned to make £4m more savings over a 4 year period. It would use reserves to balance the books of £590k in 2023/24 and over £1.4m the following year. It raised Council Tax by 4.99%, (2.99% increase in Council Tax and 2% increase in the Adult Social Care levy). Members were reminded that inflation was currently running around 10%.

Councillor Powell asked a question whether the budget strook the right balance with using the reserves which had built up from public money, the council tax increases and the savings from the transformation programme. Councillor Payne strongly believed it was the right approach to take to prevent further risk in the future and doing what was right for the residents of Rutland.

The Leader thanked the Strategic Director for Resources, the Portfolio Holder and the wider team for delivering this budget in such difficult circumstances.

It was proposed by Councillor K Payne that the recommendations of report No. 02/2023 be agreed, this was seconded and upon being put to the vote the motion was unanimously agreed.

RESOLVED

That Cabinet:

a) **APPROVED** the draft budget for consultation, including

- the General Fund Budget (Net Expenditure) for 2023/24 of £46.549m (section 9)
- budget reductions at service level (service savings, reversal of National Insurance rise and use of earmarked reserves) of £1.735m (Section 9.3) and corporate budget reductions of £1.889m as per section 9.3
- budget increases to meet service pressures of £5.401m arising from the inflation, cost of living and demand (Section 9.3) and a pay contingency of £743k
- the use of £589k of reserves to subsidise the main budget (Section 9) plus £900k set aside from general reserves to fund the Local Plan, Leisure and High Needs deficit (Section 7.1.4)
- an increase in Council Tax of 4.99% including 2% for the Adult Social Care precept resulting in a Band D charge of £2,013.04 (Section 8)
- the approach to consultation set out in Section 13
- additions/deletions to the capital programme as per Section 10
- changes to earmarked reserves as per Section 7

b) **NOTED** that:

- assuming the draft budget is approved, Council tax rises of 4.99% continue to be applied and the Council delivers extra savings of £4m by 27/28, the Council's financial gap will still be £147k (Section 4.1.4);
- the funding position for 2023/2024 may change when the NNDR (business rates) tax base and local government finance settlement is finalised;

- that additional revenue or capital expenditure may be incurred in 2023/24 funded through 2022/23 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
- the estimated surplus of £38k on the Collection Fund as at 31 March 2023 (Section 8.3) of which £33k is the Rutland share
- that Council will be considering the Treasury Management Strategy and Capital Investment Strategy separately (Section 11)
- the position on the Dedicated Schools Grant budget (Section 12)

10 REVENUE BUDGET MONITORING 22/23 - PERIOD 8

Report No.02/2023 was introduced by Councillor Karen Payne, Portfolio Holder for Finance, Governance and Performance, Change and Transformation.

The report provided Members with an update on the revenue budget position for 22/23. The forecast was based on estimates made for the end of November.

The report did not focus on the medium term financial position as this was covered in the 23/24 budget paper and was also covered in the Financial Sustainability Strategy.

The updated finance position was that the Council was forecasting a deficit position of £1.288m compared to a budgeted deficit position of £1.625m, resulting in an underspend of £0.337m.

The overall position of the Council showed that the Council was experiencing significant additional cost pressures, but these pressures were offset by staffing vacancies, other underspends including better than expected returns on investments and top slicing of some grants contributed towards existing overheads.

The Leader informed Members of the situation around staffing and that it was an issue for Local Government as a whole and not just Rutland. If the Council were unable to recruit staff, it would impact the delivery of services.

It was proposed by Councillor K Payne that the recommendations of report No. 02/2023 be agreed, this was seconded and upon being put to the vote the motion was unanimously agreed.

RESOLVED

That Cabinet:

- NOTED** the revenue forecast at the end of November (para 3.3).
- NOTED** that any emerging pressures that would continue have been provisionally built into the 23/24 draft budget.
- NOTED** that the balance of the Local Plan reserve may not be sufficient to cover estimated costs. This position should be reviewed by September 2023 and a decision made as to whether the reserve balances should be increase.

11 EXCLUSION OF THE PRESS AND PUBLIC

It was moved by the Chair that the meeting remain in a public session as it was felt Cabinet would be able to consider the public aspect of Report No.08/2023 without divulging into the contents of the exempt report.

The Chair then suggested after initial discussions the meeting would move to private session to discuss the exempt report. This was seconded and upon being put to the vote the motion was unanimously carried.

12 CATMOSE SPORTS LEISURE CONTRACT

Report No.08/2023 was introduced by Councillor Marc Oxley, Portfolio Holder for Communities, Environment and Climate Change.

The report updated Cabinet on the outcome of the procurement exercise for the operation of the Catmose Sports Centre in Oakham and outlined the options available to the Council.

The Council continued to operate in a challenging budgetary position, with the Council's expenditure exceeding its income by around £2m per annum.

As a result of the financial situation, the Council must endeavour to reduce expenditure wherever possible, and seek to mitigate any financial risks to the authority and Council Tax payers. The Council had to therefore ensure that any new commitments must, wherever possible, be either nil net cost to the authority, or contribute positively to the Council's finances.

It was proposed by the Chair that the public and press be excluded from the meeting in accordance with Section 100(A)(4) of the Local Government Act 1972 as the following item of business was likely to lead to disclosure of information relating to the financial or business affairs of any particular person. This was seconded and upon being put to the vote the motion was unanimously carried.

RESOLVED

- a) That the press and public be excluded from the meeting.

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At 11.44am the Chair returned the meeting to a public session

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It was proposed by Councillor M Oxley that the recommendations of report No. 08/2023 be agreed, this was seconded and upon being put to the vote the motion was unanimously agreed.

RESOLVED

That Cabinet:

- a) **APPROVED** Option A which was outlined in the exempt appendix.

- b) **AUTHORISED** the Strategic Director for Places, in consultation with the Cabinet Member with Portfolio for Finance and the Portfolio Holder for Communities, Environment and Climate Change to conclude arrangements for any financial liabilities to the Council arising from the option chosen.

13 ANY ITEMS OF URGENT BUSINESS

There were no items of urgent business.

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The Chairman declared the meeting closed at 11.45am

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