

CABINET

MINUTES OF MEETING HELD ON THURSDAY, 28 JANUARY 2021

Present:

Councillor Alex Dale (Chair)
Councillor Charlotte Cupit (Vice-Chair)

Councillor Mark Foster
Councillor Paul Parkin
Councillor Carolyn Renwick

Councillor Jeremy Kenyon
Councillor Alan Powell

Also Present:

G Callingham	Director of Growth and Economic Development
K Hanson	Joint Director of Environment and Enforcement
L Hickin	Joint Director of Corporate Resources and Head of Paid Service
J Dethick	Head of Finance and Resources, Section 151 Officer
S Sternberg	Joint Head Of Service - Corporate Governance & Monitoring Officer
N Calver	Governance Manager
M E Derbyshire	Members ICT & Training Officer
A Maher	Senior Governance Officer

CAB/ Apologies for Absence

76/2

0-21 There were no Apologies for Absence.

CAB/ Declarations of Interest

77/2

0-21 There were no Declarations of Interest.

CAB/ Minutes of Last Meeting

78/2

0-21 RESOLVED – That the minutes of the meeting held on 18 December 2020 were approved as a true record.

CAB/ NEDDC Visitor Economy Strategy 2021-2024

79/2

0-21 Cabinet considered the proposed Visitor Economy Strategy for 2021-2024. The Strategy set out an overall vision for this sector of the economy, how it could be helped to overcome the problems caused by the Coronavirus (Covid-19) outbreak and developed still further across the District. The Strategy also identified the priority areas where progress was required and the specific actions that would be taken to achieve this.

Cabinet was asked to agree an allocation from the 'Invest to Save' Budget, initially set at £20,000. It was explained that the allocation would be used to promote the District as a visitor destination and to help secure external funding from partner organisations to support specific initiatives.

Members reflected on the proposed Visitor Economy Strategy. There was a

consensus that the Strategy and its proposed Action Plan would be of assistance to the Visitor Economy sector and should be endorsed.

RESOLVED

- (1) That Cabinet approved the North East Derbyshire Visitor Economy Strategy 2021-2024.
- (2) That the Director of Growth and Economic Development be authorised to make non-substantive amendments to the Strategy documents, in consultation with the Portfolio Holder for Economic Growth.
- (3) That Cabinet agreed that the Director of Corporate Resources allocate £20,000 from the 'Invest to Save' fund as an operating budget for the financial year 2021/22.

REASONS FOR DECISION - The Visitor Economy is a key priority for the Council. Adopting the Strategy will enable the Council to guide future resource allocation and its work in this important area.

OTHER OPTIONS CONSIDERED AND REJECTED - The option of not adopting a Visitor Economy Strategy for the District was considered but rejected. It would have meant that those businesses engaged in the Visitor Economy would not get the support required to help them to cope with the difficulties caused by the Coronavirus (Covid-19) outbreak, protect existing jobs and to then grow and create future employment opportunities.

CAB/ NEDDC Employment and Skills Strategy 2021 - 2024

**80/2
0-21**

Members considered the proposed Employment and Skills Strategy for 2021-24. This set out an overall vision for how the Council would help residents to 'upskill' and retrain in order to improve their employment skills. It also set out how employers could be helped to maintain jobs in the District and to retain and attract skilled employees to them.

Members discussed the proposed Strategy. They emphasised their support for developing employment opportunities and employment skills. In this context, they welcomed the contribution that the Strategy and its proposed Action Plan would make to enabling businesses and residents across North East Derbyshire to access the wide range of support which is available to them, especially during the period of economic difficulties caused by the Coronavirus (Covid-19) outbreak.

RESOLVED

- (1) That Cabinet approved the Employment and Skills Strategy 2021 – 2024, along with the 'Action Plan' to take forward the Council's work relating to employment and skills in the District.
- (2) That Cabinet agreed to receive a report on NEDDC Digital Skills, including but not limited to, a NEDDC online Jobs fair platform or an equivalent initiative.

- (3) That the Director of Growth and Economic Development be authorised to make non-substantive amendments to the strategy documents, in consultation with the Portfolio Holder for Economic Development.

REASONS FOR DECISION - By Adopting the Strategy the Council would demonstrate its commitment to developing local support for employment and skills and in ensuring that businesses and residents could access the wide range of support which is available to them.

OTHER OPTIONS CONSIDERED AND REJECTED - The option of not adopting a Strategy was considered but rejected, for the reasons specified in the report.

CAB/ Medium Term Financial Plan 2020/21 -2024/25 - TO FOLLOW

81/2

0-21

As part of the Council's Medium Term Financial Plan, Cabinet considered the Current Budget for the 2020-21 financial year. It also considered the proposed Original Budget for the 2021-22 financial year, covering the General Fund, Housing Revenue Account and Capital Programme. Cabinet was asked to endorse and recommend them to Council for approval, at its meeting on 1 February 2021

Members were reminded that the Council had faced significant financial challenges as a result of the Coronavirus (Covid-19) outbreak. The report explained that because of the outbreak the Council had received far less income than expected from leisure facilities and other services, such as Commercial Waste Collection. It also explained that income growth from Business Rates during the year would be considerably lower than projected.

Members heard that the Council had received substantial support from Central Government during the year to offset the financial impact of the virus outbreak. This support had helped to stabilise its financial position. In particular, Members heard that the Council had received a grant of £1.44m, to assist with the costs of delivering services during the outbreak. Cabinet also learned how the Government's Income Compensation Scheme would compensate for a proportion of the income lost from fees and charges.

Cabinet welcomed the Government's support and the contribution which it had made to maintaining services. Members also noted how this assistance had helped the Council to support the wider community and local economy.

Members discussed the proposed Council Tax increase of £3.70 (1.95%), to be levied in respect of a notional Band D property. Cabinet felt that an increase at this level would help maintain services, but would not place an unnecessary financial pressure on householders.

Cabinet noted that the Original Budget for 2021-22 included a shortfall of £0.133m that would have to be saved as a matter of priority. Cabinet emphasised that these savings should be secured either by permanent reductions in expenditure, or through sustained increases in the amount of income received. In this context, Members discussed the significant financial challenges that would

face the Council during the remaining period of the Medium Term Financial Plan.

Cabinet discussed the proposed Housing Revenue Account. Members noted the 1.5% increase in housing rents recommended for 2021/22. Members reflected on how the increase would be in line with Social Housing Rent Standard, set by the Government. This Standard allowed all registered providers of social housing, including local authorities, to apply annual rent increases of up to the Consumer Price Index (CPI) plus 1%.

RESOLVED

That Council be recommended at its meeting on 1 February 2021:

- (1) That the view of the Chief Financial Officer, that the estimates included in the Medium Term Financial Plan 2020/21 to 2024/25 are robust and that the level of financial reserves whilst at minimum levels are adequate, be accepted.
- (2) That officers report back to Cabinet and the Audit and Corporate Governance Scrutiny Committee on a quarterly basis regarding the overall position in respect of the Council's budgets. These reports to include updates on achieving the savings and efficiencies necessary to secure a balanced budget over the life of the medium term financial plan.

GENERAL FUND

- (3) A Council Tax increase of £3.70 will be levied in respect of a notional Band D property (1.95%).
- (4) The Medium Term Financial Plan in respect of the General Fund, as set out in **Appendix 1** to the report, be approved as the Current Budget 2020/21, as the Original Budget 2021/22, and as the financial projections in respect of 2022/23 to 2024/25.
- (5) That any under spend in respect of 2020/21 be transferred to the Resilience Reserves, to provide increased financial resilience for future years of the plan.

HOUSING REVENUE ACCOUNT

- (6) That Council sets its rent levels for 2021/22 in line with the Social Housing Rent Standard increasing rents by 1.5% from 1st April 2021.
- (7) That all other charges be implemented in line with the table shown at 1.38 in the report above with effect from 1 April 2021.
- (8) The Medium Term Financial Plan in respect of the Housing Revenue Account as set out in **Appendix 3** to the report be approved as the Current Budget in respect of 2020/21, as the Original Budget in respect of 2021/22, and the financial projection in respect of 2022/23 to 2024/25.
- (9) That the Management Fee for undertaking housing services at £9.692m

and the Management Fee for undertaking capital works at £1.1m to Rykneld Homes in respect of 2021/22 be approved.

- (10) That Members endorse the section in the current Financial Protocol which enables the Council to pay temporary cash advances to Rykneld Homes in excess of the Management Fee in order to help meet the cash flow requirements of the company should unforeseen circumstances arise in any particular month.
- (11) That Members note the requirement to provide Rykneld Homes with a 'letter of comfort' to the company's auditors and grant delegated authority to the Council's Chief Financial Officer in consultation with the Portfolio Member for Finance to agree the contents of that letter.

CAPITAL PROGRAMME

- (12) That the Capital Programme as set out in **Appendix 4** to the report be approved as the Current Budget in respect of 2020/21, and as the Approved Programme for 2022/23 to 2024/25.

REASONS FOR DECISION - To recommend budgets to Council in respect of the General Fund, the Housing Revenue Account and the Capital Programme.

OTHER OPTIONS CONSIDERED AND REJECTED - The alternative options that were considered and rejected were specified in the report.

CAB/ Urgent Items

82/2

0-21 There were no urgent items.

CAB/ Exclusion of Public

83/2

0-21 RESOLVED – That the public be excluded from the meeting during the discussion of the following items of business to avoid the disclosure to them of exempt information as defined in Part 1 of Schedule 12A to the local Government Act 1982 (as amended by the Local Government (Access to Information)(Variation) Order 2006).

The category of exempt information is stated after each Minute.

CAB/ Property Purchases Using One for One Receipts

84/2

0-21 The report to Cabinet sought agreement on the use of outstanding 'Right to Buy' receipts from the sale of Council housing. If these receipts were not used before the end of the financial year then they would have to be returned to the Ministry of Housing, Communities and Local Government (MHCLG), along with the appropriate interest payments.

The report also recommended that a delegated decision process be adopted, in order to use outstanding Right to Buy receipts for the purchase of appropriate properties during the remainder of the financial year. Members supported this.

RESOLVED

- (1) That Cabinet endorsed the acquisition of the specified properties, as set out in the report and recommended the decision to purchase them to the Director of Growth and Economic Development following consultation with the Council's Head of Finance/Section 151 Officer, Portfolio Holder for Housing, Communities and Communications, Portfolio for Finance and the Council's Asset Management Group
- (2) That the Director of Growth and Economic Development be authorised to purchase any other suitable property which could be acquired before 31 March 2021, following consultation with the Council's Head of Finance/Section 151 officer, Portfolio Holder for Housing, Communities and Communications, the Portfolio Holder for Finance and the Council's Asset Management Group

REASONS FOR DECISION - To increase the Council's social housing stock and to avoid the return of Right to Buy '1-4-'1 receipts and the extra interest costs that would be incurred.

To put in place a delegated Decision process to enable 1-4-1 receipts to be spent before the legislative deadlines.

OTHER OPTIONS CONSIDERED AND REJECTED - The option of doing nothing was considered and rejected for the reasons specified in the report.

(Paragraph 3)

CAB/ Coronavirus (Covid-19) Contingency Planning Update

85/2

0-21

Cabinet received an update on the contingency planning arrangements that were now ongoing at a regional and national level to help combat the outbreak of the Coronavirus (Covid-19).

(Paragraph 4)

CAB/ Urgent Items

86/2

0-21

There were no urgent items